



**2016**

CORPORATE SOCIAL  
RESPONSIBILITY REPORT

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# LETTER OF THE PRESIDENT



Dear Sir or Madam,

Orbis Group publishes for the first time its report on social responsibility, i.e. a report presenting our non-financial results. This report discloses the social and environmental impacts of the companies belonging to our Group. Only their inclusion, alongside the financial results, gives a full picture of the Orbis Group's business. The report has been compiled based on recognized international Global Reporting Initiative (GRI G4) reporting guidelines. Commitment to report non-financial results has been imposed on major businesses by the amended Accounting Act, however, this requirement will apply only from 2017 reports onwards. Thus, the Orbis Group front runs the expectations of the legislator, the market and its guests. It must be highlighted that this report is the first report of this type in the hospitality industry in Poland.

What is sustainable growth for the hospitality industry? How can the hotel sector be responsible? What are the largest challenges and how to cope with them? These are the questions we have been putting forward for a long time. The response to these questions was the Planet 21 program setting out our sustainable growth strategy. Initially, the plan covered the years from 2011 to 2015 and another, recently adopted, sets out the challenges for the years from 2016 to 2020. Orbis is the only hotel group in Eastern Europe to have shown, in such a comprehensive, yet courageous way, that responsible business goes far beyond philanthropy or a set of ethical principles. It is an integral part of the philosophy of operation of any hotel, already in the phase of its design and construction in line with the principles of sustainable growth. We believe that we all benefit from this philosophy, namely our customers, business partners as well as employees and, most importantly, our environment and local communities in where we operate.

The hospitality business impacts various aspects of social life. It may also significantly impact the natural environment. On the one hand, we are a large international employer, and therefore we have committed to manage diversity. We also strive to raise awareness and engage our guests to become involved in the cause of sustainable development. It also impacts business partners we work with, including partners with whom we collaborate to provide our guests with balanced and more and more healthy meals from raw materials of known origin and cropping. It also involves great emphasis on reducing energy consumption and emission of our hotels, as well as engaging in good neighbourly relations with local communities. Responsible hospitality also means courageous facing of pathologies such as commercial, primarily sexual, abuse of children in the tourism industry. Our long-term cooperation with the Empowering Children Foundation (*Fundacja Dajemy Dzieciom Siłę*) in counteracting such negative phenomena and being Poland's only signatory of the Code of Conduct, initiating the signing of the Diversity Charter in Poland, supporting innovative social projects such as the Accordion of Autonomy ('*Accordeon Samodzielności*') or controlling and systematic reduction of water and energy consumption and waste segregation are just some of our activities.

I am convinced that our business model must be responsible in order to be sustainable. Being people centric and eco-friendly are the key principles for value creation.

Your sincerely,

**Gilles Clavie**  
President and CEO  
Orbis S.A.

# THE ORBIS GROUP

## OUR FOUNDATION: VALUES

G4-56

The competitive and regulatory environments, technology and the market as a whole are subject to a continuous change. The model of doing business is evolving as well as it must keep up with transforming guest expectations or even stay ahead of their preferences. People, beginning with hotel staff down to hotel managers, are also prone to change. All in all, it might seem that everything has become relative and unstable. However, it is not viable to develop a long-term business and build a brand without any stable footing - such foundation are values. They are firm and withstand the omnipresent relativism. Values are unchanging as opposed to people who may rotate within an organization. Values are eternal as contrasted with market occurrences. Ethical values on which the culture of an organization is based, the uniqueness of its brand, and finally its business model form a universal reference point in a rapidly changing world.

We strive for our values to be present every day in the relationships we build with our environment, both with our stakeholders within and beyond our Group. Thus, it is of essence that we all have a good comprehension of our values and be able to work in accordance with them. It is our values that make Orbis - the brand which we have been successfully building and which continues to last for nearly 100 years despite circumstances that have not always been favourable, so unique.

## 6 Fundamental Values of the Orbis Group

### Passion



Hospitality is our craft and our job. We strive to satisfy people. Our guests are the driving force behind our actions and the decisions we take. Our guests are the most important to us, we care for them. It is for our guests that we make our daily efforts. We like doing it.

### Sustainable Growth



We strive to create value added, for as many beneficiaries as possible, in a long term perspective.

### The Spirit of Conquest



Our guests are globetrotters and so are we. We are right where our guests want to be. We are the explorers, the initiators and the victors. We are ambitious for our guests. We make the impossible possible. We do it with joy.

### Innovation



Though it is said to be undoable, yet together we make it. We fulfil the dreams of our guests. We launch innovations and our guests like the results of what we do. We nurture curiosity about the world and new ideas. We endeavour new challenges and learn.

### Trust



We believe in natural human kindness. We support and trust every human being and see his worth. We fulfil our commitments. We speak of what we do. We do what we have announced to do.

### Respect



We are a part of the world, related to other people. We are open to other cultures. We are proud of the differences between us. For us, you are the most important. We value you regardless of who you are. We care about our planet.

**Our values are like a common 'language', i.e. they connect us and create a strong sense of belonging. Regardless of the place, people, countries or cultures, thanks to our common values we better understand our objectives and pursue our hospitality philosophy with full awareness. Our values build our brand and its worldwide recognition.**

## BUSINESS MODEL AND STRATEGY

G4-4

G4-6

G4-8

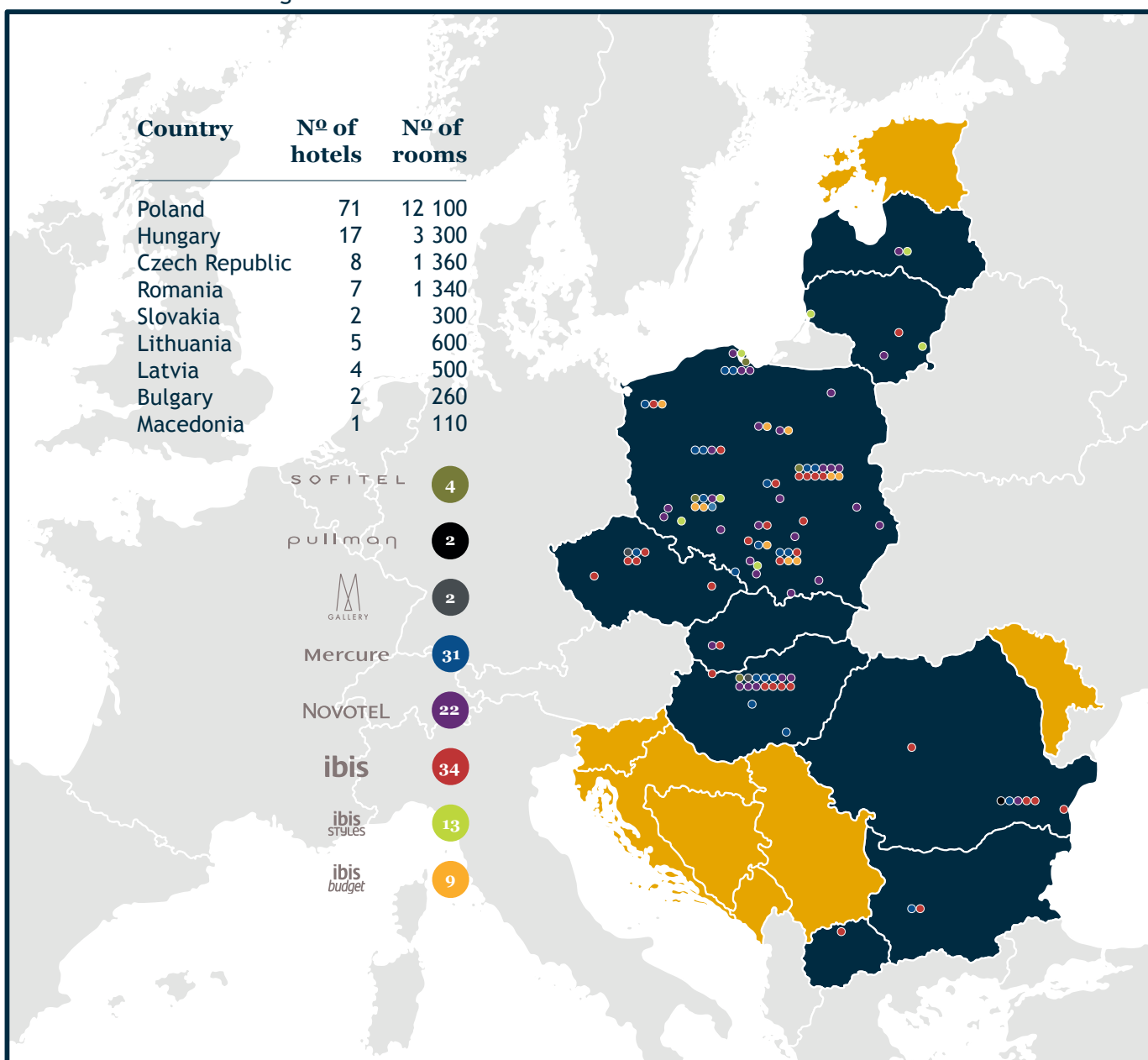
Orbis is the largest hotel group in Eastern Europe. With close to 120 hotels offering almost 20 000 rooms at the moment, the Orbis Group is number-one hotel operator in the region and the leader of the hospitality market, providing service to 7 million customers in 9 countries every year. Beginning from 2000, AccorHotels has been Orbis' strategic partner.

G4-6

G4-8

G4-9

Our hotels, including our own properties, leased hotels, as well as hotels owned by third parties (and operated by us based on a management agreement) or partner hotels (cooperating with us on the basis of a franchise agreement) are located in Poland, Hungary, in the Czech Republic, as well as in Romania, Slovakia, Lithuania, Latvia, Bulgaria and in Macedonia. We are considering expansion through mergers and acquisitions in as many as 16 countries of the region.



Orbis S.A. with its registered address in Warsaw is the axis of the group of companies. Established in 1920 in Lvov, the Company has close to a 100-year tradition. It is one of the few examples of a company with a Polish heritage that has successfully expanded its business into Eastern European markets, at the same time drawing from the experience of its strategic investor and benefiting from the economies of scale such a partnership offers.

Apart from Orbis S.A., the company Orbis Kontrakty Sp. z o.o. is also active in Poland. The Company organises purchases of goods and services for hotels of the Orbis Group.

In Hungary, the Orbis Group has two hotel operators, namely Accor Pannonia Hotels Zrt and Blaha Hotel Szállodaüzemeltető Kft. The Orbis Group also has four subsidiary companies in the Czech Republic: Katerinska Hotels s.r.o., Nový Smíchov Gate a.s., H-DEVELOPMENT CZ a.s., and Business Estate Entity a.s. The first of these companies is a hotel operator, and the remaining companies handle real property leases and management. Three other subsidiaries, i.e. Accor Hotels Romania s.r.o. with its registered address in Bucharest, Accor Pannonia Slovakia s.r.o. with its registered address in Bratislava and UAB Hekon with its registered address in Vilnius are hotel operators in the remaining countries.

#### G4-8

According to our strategy, the Group is to operate a network of hotels in key locations, namely in Poland's seven major cities (Warszawa, Kraków, Wrocław, Gdańsk, Katowice, Poznań, and Szczecin) and in all the capitals of the countries of Eastern Europe. At present, we operate and/or own hotels in six such cities (Prague, Budapest, Bucharest, Riga, Skopje and Vilnius). We also plan to build new hotels or take over existing hotels in Poland. Furthermore, we do not exclude other takeovers, should an opportunity of entering into an advantageous transaction of this type arise. We also pursue a long-term hotel lease model. Yet another solution, which is often applied in the countries of South Eastern Europe, though not as an owner, is hotel management. We also apply a different business formula that is franchise. This solution is particularly advantageous for the Group in locations other than the above-mentioned key cities. Thanks to it we are able to expand by developing our network without the need of allocating substantial capital expenditure for investment projects.

## PRODUCT RANGE

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#### G4-8

The range of services offered by hotels of the Orbis Group is tailored to the needs and expectations of very different clients. The range of brands in our portfolio facilitates finding offers that tone with both the taste and the budget of every customer. Our product range embraces luxury hotels that offer custom-tailored services (Sofitel, Pullman, MGallery), midscale hotels (Novotel, Mercure) and economy rooms in customer-friendly hotels of the ibis brand. An extensive and well balanced offer is our strength, which is reflected in the profile of our guests. Brands with a global recognition guarantee quality of service of a varied standard, ranging from luxury 5-star hotels to economy 1-star hotels.

During weekdays we host corporate clients who expect high quality of service, the hotel being located close to the business hub, as well as efficient check-in, check-out and business services. On weekends, our hotels are visited by tourists who are looking for an offer with a good balance between quality and price. Furthermore, tourists guests prefer accommodation in a location with a convenient access to tourist must-see spots.



## UP-SCALE &amp; LUXURY

**SOFITEL**  
HOTELS & RESORTS

 **PULLMAN**  
HOTELS AND RESORTS



The Sofitel brand and its Ambassadors spread the French flair across the globe thanks to a collection of unique hotels offering guests and partners a service which is custom-tailored to their needs (cousu main) and enriched with emotions, efficiency and commitment to excellence. More information available at: [www.sofitel.com](http://www.sofitel.com).

DBeing a modern designer brand, Pullman belongs to the segment of upscale international hotels. Pullman hotels and resorts are located in large metropolitan areas and the most attractive tourist destinations, visited by businesspeople in the season and tourists from all over the world. Friendly and resourceful staff and personalized service guarantee a unique experience. More information available at: [www.pullmanhotels.com](http://www.pullmanhotels.com).

MGallery is a collection of hotels located in various corners of the world, targeted at the most discerning guests. Each hotel is unique in terms of its spirit, has its own history and enchants guests with its architecture, interior design and service. Each hotel is inspired by one of three climates of the collection: 'Heritage' - places with a history, 'Signature' - places focused on aesthetic attributes or 'Serenity' - places conducive to leisure and relaxation. More information available at: [www.mgallery.com](http://www.mgallery.com).

## MIDSCALE

 **NOVOTEL**  
HOTELS & RESORTS

 **Mercure**  
HOTELS

Novotels are midscale hotels located in large cities, business districts and tourist destinations. Thanks to their comprehensive offer and high standard of service, Novotel hotels are liked by both business travellers as well as tourists. More information available at: [www.novotel.com](http://www.novotel.com).

Mercure is the only midscale hotel brand which combines the advantages of an international network that guarantees high quality with a casual atmosphere, typical for non-chain hotels integrated with the local community and managed by enthusiastic staff. Mercure hotels are located both in city centres as well as in seaside or mountain resorts. They are visited by both businesspeople and tourists from around the world. More information available at: [www.mercure.com](http://www.mercure.com).

## ECONOMY



ibis, the European leader of the economy hotel segment, offers to its guests the top level of service and utmost comfort in this category at rates which are the most attractive. The brand guarantees a consistent product to its customers around the world, i.e. modern, well-connected and soundproof rooms with innovative, extremely comfortable beds, breakfast served from 4.00 a.m. till noon and a wide choice of restaurants in different styles. More information available at: [www.ibishotel.com](http://www.ibishotel.com).

ibis Styles is a non-standardised economy hotel brand with unlike, cheerful hotels. Most of these hotels operate under a franchise license. The ibis Styles offer is targeted at both business and private travellers as well as at families and tourists. Apart from accommodation, the friendly and comprehensive ibis Styles offer also includes breakfast, access to the Wi-Fi network and a number of ancillary services. More information available at: [www.ibisstyles.com](http://www.ibisstyles.com).

ibis budget (formerly Etap Hotel) is a worldwide synonym for the budget hotel segment. This uncomplicated brand with attributes of the AccorHotels style focuses on simplicity, modernity and wellbeing of guests. Hotels offer comfortable Cocoon rooms with extra soft duvets, new fluffy pillows, large walk-in showers, flat-screen TVs, Wi-Fi access and self-service no-restrictions buffet breakfast! More information available at: [www.ibisbudget.com](http://www.ibisbudget.com).

In our strategy, we lay an increasing emphasis on online distribution of our services. Nearly 50% of room bookings are made via our on-line platform. Thanks to our collaboration with AccorHotels, our offer is available to more than 100 million prospective customers registered on Accorhotels.com. With that in mind, we strive to build our reputation using tools and being active in the social media. We also do our best to maintain long-term relationships with our customers in appreciation of the asset to our business that guest loyalty is. We have approximately 30 million worldwide members of our global Le Club AccorHotels loyalty program. We are particularly pleased with the length of stay in our hotels of a statistical loyalty program participant, which is twice that of other guests.

In our business model we pay particular attention to the quality and diversity of food and beverage services offered by us. Accordingly, the revenues from three types of restaurants in our hotels (i.e. Winestone, Novo2, ibis Kitchen) are growing progressively from year to year.

## Our Development Strategy

### 5 AREAS OF SHAREHOLDER VALUE GENERATION IN THE COMPANY

#### Growth Acceleration



Our diversified brand portfolio, ranging from economy to up-scale brands, allows us to grow on the underpenetrated markets of Eastern Europe.

#### Performance



We continue to improve our operations:

- ▶ Growing RevPAR
- ▶ Maximising EBITDAR margin

#### Portfolio



We allocate capital to the most promising markets and brands, which allows us to continue dividend payments. We minimise WACC.

#### People



We respond to the needs of our guests and build our success together with talented employees. We are a CSR trendsetter in the hospitality industry.

#### Partnership with AccorHotels



We benefit from being an exclusive partner for the Eastern Europe markets of the global AccorHotels Group.



## PARTNERSHIP AS THE PHILOSOPHY OF DOING BUSINESS AND EXPANSION

The Orbis Group appreciates the importance of building partnerships with other market players. We believe that cooperation, particularly with individual hoteliers, can and does benefit both parties. From our point of view, it permits us to develop our hotel network and offer our customers even wider travel opportunities without exposure to new investments. Conversely, our franchise partners have the chance to boost their revenues. We offer an attractive LeClub AccorHotels loyalty program (with 9 million program members in Eastern Europe). Thanks to AccorHotels, our network has access to a powerful accorhotels.com booking platform (visited by 100 million users every year) and efficient distribution systems. With the support of these tools, it is possible to increase the volume of hotel guests, thus improving the revenue. On the other hand, the network of more than 3 700 hotels belonging to the AccorHotels network worldwide gives the Group a strong position in negotiating the best commercial terms with suppliers of products and hotel services and with global online travel agents (OTAs) and touroperators. Hotels that embark on a long-term franchise-based collaboration with us have the opportunity to benefit both from our experience and the economies of scale associated with being a member of such a large Group of companies.

### AccorHotels Academy - Professional Training for Franchisees

AccorHotels and Orbis share their know-how and experience with their partners. The AccorHotels Academy based in Warsaw offers professional trainings to franchisees to improve hotel staff skills and competencies.

Openness to cooperation and partnership is the Orbis Group's business philosophy. Accordingly, we actively participate in initiatives and organizations whose business is conducive for our industry and supports its development.

### Membership in and Cooperation with Organisations

**IGHP** | IZBA GOSPODARCZA  
HOTELARSTWA POLSKIEGO



Chamber of Commerce  
of the Polish Hotel  
Industry  
(IGHP)

Business Center Club  
(BCC)

Polish Association of  
Listed Companies  
(SEG)

Warsaw Tourist  
Organization  
(WOT)

We are not limited to cooperation with business organizations only. We also build partnerships with non-governmental organizations, the best example of which is our long-standing cooperation with the Empowering Children Foundation (*Fundacja Dajemy Dzieciom Siłę*) [formerly the Nobody's Children Foundation (*Fundacja Dzieci Niczyje*)] and the signing of the Code of Conduct by Orbis in response to the global problem of child abuse in the world, Poland included.

## SUPPLY CHAIN

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**G4-12**

Orbis Group's main suppliers include utilities' suppliers (electricity, heat, water, natural gas, sewage and waste disposal), hotel furniture, fittings and equipment (FF&E) suppliers, F&B suppliers (beginning with food and beverage services, kitchen equipment, and ending with raw products supplies), telecom operators, providers of conveniences for hotel guests and insurers. Thanks to these suppliers we are able to build long-term value, not only financial or widely understood economic value but also social and environmental.

The value we create depends on what and where we do our purchasing. In the most literal and basic sense, 'value' brings to mind building a competitive advantage, both in terms of cost edge and recognition. It is correct - without the best suppliers who understand our expectations and the needs of our guests, we would not have been able to create the unique atmosphere in Orbis Group hotels. Nonetheless, also the environmental and social footprint of our business depends on what and where we purchase. A good example is the decision made in April 2016 not to buy battery-cage eggs and to supply hotels with free-range eggs (More information available in the section on "Offering Healthy and Balanced Meals While Reducing Food Waste").

It is undisputable that the scale of our business permits us to significantly influence the development of our industry and to shape hospitality trends. The economies of scale means not only the ability to negotiate beneficial terms and conditions for us and our franchisees, but also to require a certain conduct of our suppliers. The particular role they play in our approach to managing sustainable growth is reflected in innovative solutions launched in collaboration with business partners being one of the six pillars of the Planet 21 programme, i.e. our strategy of sustainable growth. This, in turn, is one of the foundations of our long-term growth strategy (More information available in the section on "Introduction of Innovative Solutions in Cooperation with Business Partners").

The Orbis Group makes every effort, whenever possible, to recruit locals in the Group's hotels and to organize trainings with a view to develop skills and employability of local employees who are not trained in the hospitality industry. Our ambition is to promote the culture, heritage and cuisine of the regions where the Group's hotels are located as well. Through commercial agreements, for example by offering fair trade products, we partake in the fight against poverty. On the other hand, hotels are encouraged to purchase and promote local products (for instance foodstuffs).

## ORBIS' HISTORY

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The travel agency Polskie Biuro Podróży Orbis was founded in Lviv in 1920. Its founders wanted to establish a travel agency rendering services of an international standard - an institution representing a 'window on the world' for the citizens of a new, reborn Poland.

Orbis was soon ranked as one of the 10 best travel agencies in the world, and in 1933, following the purchase of Orbis shares by a state bank PKO, the Company moved its corporate seat to Warsaw. Orbis was fast to develop its operations: in 1939, the Company had 136 branches in Poland and 19 abroad, with 500 employees, as well as four hotels offering altogether 360 rooms. In 1939, Orbis rendered services to over 5 million clients.

The Second World War interrupted Orbis activity; the overwhelming part of its property was damaged. After the war, only the Brussels, New York, Tel Aviv and London offices survived. The year 1944 saw the establishment of a state-owned enterprise Przedsiębiorstwo Państwowe Orbis that purchased the shares of the pre-war company. Until the end of the 40s, the Company ran mainly intercity coach connections in Poland and had a few hotels offering accommodation to Poles traveling around the country.

From 1946 to 1959, the enterprise managed a guest house network offering 5 000 beds and provided services onboard sleeping and restaurant cars in trains. In 1951, 9 of the best Polish hotels were incorporated into Orbis so as to prepare them to render services to foreign guests. Until 1956, the basic activity of Orbis, typical of that period, consisted in arranging transportation for workers and farmers, organization of youth conventions and meetings of state administration officials and similar gatherings.

On top of that, Orbis organized travels abroad: stays at the Black Sea, the Balaton Lake and the Adriatic seaside in Yugoslavia, and trips to Western European countries, as well as very popular cruises on the Batory ship or rented Russian ships. In 1979, 1.5 million guests were served in Poland and, put together, all of the Orbis clients in the world were about 12.2 million in number.

The Orbis hotel department developed in the years 1960 - 1980; 34 new hotels were erected. Poland, opening more and more to the world, needed a large hotel network. In 1980, Orbis had 60% of all hotel rooms in Poland. Hotel occupancy rate stood at 65.1%, half of that figure contributed by guests coming from abroad and paying with hard currency. In the 70s, when the first investment projects of international hotel networks' standards were launched, 6 Novotels were built - 4 of them have been in operation to date.

Besides the expansion of hotel and travel services, Orbis also developed the passenger transport offer, and in the period from 1960 to 1980, the number of buses increased from 35 to 555, while the number of cars went from 31 up to 373.

In the 80s, a period marked by a changing economic reality and falling tourism income, hotels became the basis of Orbis activity.

At the end of 1990 the Orbis network consisted of 53 hotels. In 1991, the state-owned enterprise Orbis was transformed into a company wholly owned by the State Treasury. In July 1993, two companies were spun off: Orbis Travel and Orbis Transport, with Orbis S.A. holding a majority stake in both of them. On June 27, 1997, the General Meeting of Shareholders decided to offer Orbis S.A. shares on the public market. Orbis S.A. shares have been quoted on the Warsaw Stock Exchange since November 15, 1997.

In 1999, the stake held by the State Treasury in the Company's shareholding structure declined to below 50%. The month of August 2000 witnessed the last stage of privatization process - Orbis gained a strategic partner, Accor, a major worldwide group in tourism, travel agents and corporate services, and a European leader on the hotel market.

In 2010 new strategy of company reorganization was announced. The Group focused on its key competence - hospitality and disposed of its other businesses:

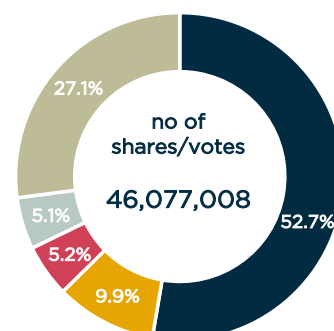
- Orbis Travel (2010)
- Orbis Casino (2011)
- Orbis Transport (2013)

On January 7, 2015, Orbis signed an agreement with its strategic partner AccorHotels and companies belonging to the AccorHotels group of companies on the acquisition of 38 hotels in Eastern Europe and entered into a Master License Agreement. Thus, Orbis has strengthened its leading position in the hotel industry in Eastern Europe and has become the exclusive licensor of all Accor brands in 16 countries in the region.

Today, Orbis Hotel Group is the largest hotel network in Poland and Eastern Europe, offering nearly 20 thousand rooms in almost 120 hotels.

## Orbis S.A. Shareholders as at December 31, 2016 (according to the 2016 financial report)

	no of shares	% in equity	no of votes	% of votes
Accor S.A.	24,276,415	52.7%	24,276,415	52.7%
Aviva pension fund	4,577,880	9.9%	4,577,880	9.9%
Nationale-Nederlanden pension fund	2,391,368	5.2%	2,391,368	5.2%
Metlife pension fund	2,357,156	5.1%	2,357,156	5.1%
Other free-float	12,474,189	27.1%	12,474,189	27.1%
<b>Total</b>	<b>46,077,008</b>		<b>46,077,008</b>	



### Governing Bodies of Orbis S.A. (as at December 31, 2016)

The Orbis Management Board is composed of 4 members. The work of the Management Board is managed by the President of the Management Board, appointed by the Supervisory Board.

- Gilles Clavie - President and CEO
- Ireneusz Węglowski - Vice-President of the Management Board
- Marcin Szewczykowski - Member of the Management Board, Finance Director
- Dominik Sołtysik - Member of the Management Board

The Supervisory Board is composed of 10 members:

- Bruno Coudry
- Artur Gabor (independent member of the Supervisory Board),
- Christian Karaoglanian
- Jacek Kseń (independent member of the Supervisory Board),
- Jean-Jacques Morin,
- Jan Ozinga (Chairman of the Supervisory Board),
- Laurent Picheral,
- Andrzej Procajło,
- Andrzej Przytuła,
- Jarosław Szymański.

## MANAGEMENT APPROACH TO SUSTAINABLE GROWTH

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**G4-27**

**G4-34**

Daily operational collaboration with individual stakeholders and analysis of their needs, expectations and concerns by managers in charge of specific business areas facilitates our comprehensive approach to responsibility management. This is possible primarily through assigning a very high level of importance to the aspect of sustainable growth which is unique on the Polish market.

On the one hand, operational issues are masterminded by a dedicated manager in charge of corporate communications and corporate social responsibility, subordinated directly to the Vice-President of the Management Board responsible for this business area. On the other hand, a 5-member Social Responsibility Committee operates at the level of the Supervisory Board, alongside the Audit Committee and the Remuneration Committee, which is a unique solution across the market in Poland. The Committee reports directly to the Supervisory Board, while its tasks involve monitoring, discussion and putting forward recommendations on sustainable development in the Orbis Group.

This has led to the development of a long-term strategic plan, that is the Planet 21 sustainable growth program of the Orbis Group for the years 2016 to 2020. Initially, the Planet 21 program including the sustainable growth strategy for the Accor Group and Orbis related to people (EGO) and the natural environment (ECO) was adopted in 2010. The program set out 21 commitments in a time frame until 2015. Two comprehensive studies were carried out for the purpose of the program. The first has been launched by the French Institute of Public Opinion with the participation of 7 000 customers in six countries and has led to a better understanding of attitudes and expectations of hotel guests worldwide as regards sustainable growth. The second study has been run in cooperation with a renowned auditor and was based on product / service life cycle analysis with the participation of 4 400 hotels belonging to the Group. The study has identified the main results of actions, the areas where progress must be made and has made it possible to define the priorities (for instance related to provision of F&B services and waste management in hotels). A plan of informing guests and staff about the actual footprint of hotel services on the social and natural environment was also defined within the Planet 21 program. The program itself has turned into an incentive to create a new vision of a sustainable hotel. Naturally, the name of the program has been directly related to the Agenda 21 action plan adopted in 1992 during the Earth Summit in Rio de Janeiro.

Given that the original Planet 21 program is coming to an end, yet at the same it has proven to be a success, a decision has been taken that the program will be reviewed and continued.

## New Planet 21 Program for 2016-2020

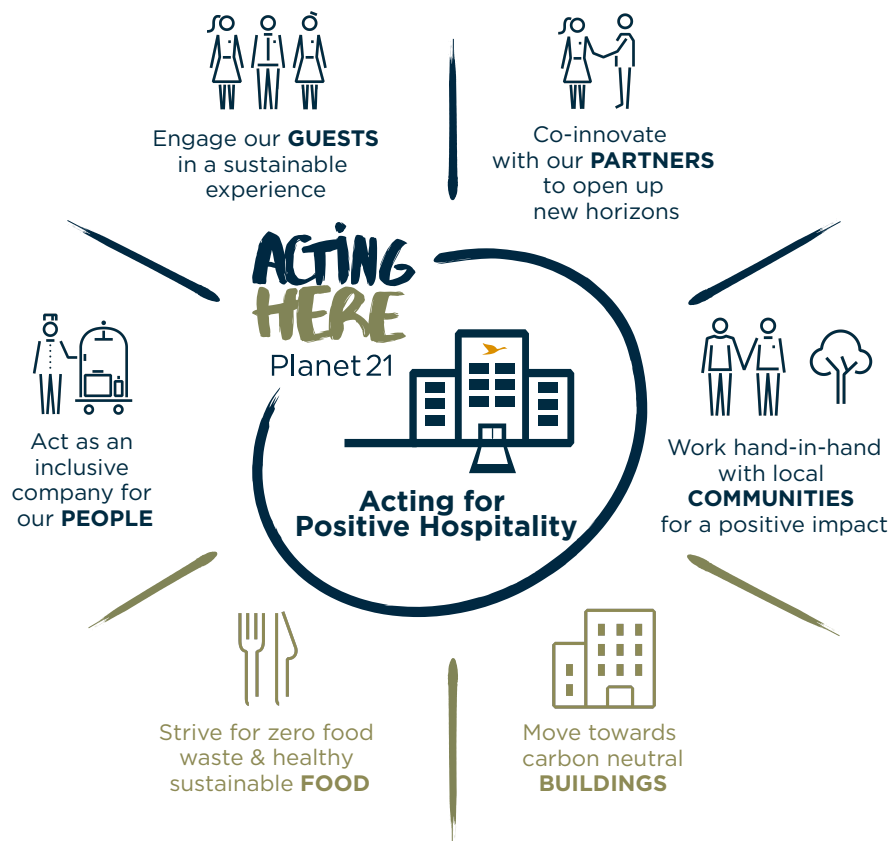
The new updated Planet 21 program for 2016 through 2020 is focused on areas corresponding to those defined in the sustainable growth strategy for years 2011-2015, but has even more ambitious goals. It is viable thanks to experiences gathered since 2011, which can serve as a source of expertise. At the same time, the Program is closely connected with the new business model of the Group.

The Planet 21 program for 2016-2020 sets 4 new commitments towards employees, customers, partners and local communities:

- ▶ Supporting employee diversity and integrating them around a common objective,
- ▶ Guests engagement in sustainable growth actions,
- ▶ Launching innovative solutions in collaboration with business partners,
- ▶ Close cooperation with local communities,

Furthermore, the program envisages 2 priority areas related to core business: food and beverage services and hotel properties' management:

- ▶ Offering healthy and sustainable meals while reducing food waste by 30% in restaurants of the Group and setting up vegetable gardens and/or herbarium in 30% hotels of the Group;
- ▶ Ensuring that all newly constructed hotels are low-carbon buildings.



Considering the need to streamline and ensure full transparency of management activities - including management of social responsibility and directly related areas, the approach to some of these areas has recently been formalised. Three important documents, namely the 'Ethics & Corporate Social Responsibility Charter', the 'Orbis Hotel Group Diversity Charter' and the 'Orbis Hotel Group Sponsorship Policy' have been implemented and published.



# ETHICS & CORPORATE SOCIAL RESPONSIBILITY CHARTER

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## HR DMA G4-56

The code of conduct presented in the ‘Ethics & Corporate Social Responsibility Charter’, which is the code of ethics for employees of the Orbis Group, is rooted in our ethical values on which our business is based. Not without reason, the Six Core Values respected in our Group have been enumerated at the very beginning of the ‘Ethics and CSR Charter’, i.e. already on the first pages of the Charter.

The document outlines the rules applicable to attitudes and conduct to be followed by every individual working for Orbis, including employees and, for example, franchisees and their staff. Above all, we have the duty to act with full respect for every person, regardless of the place of our encounter and the role he or she is playing, be it a guest or an employee, and regardless of his or her origin, gender, disability, colour of the skin or religion. Out of respect for human beings we condemn both direct and indirect discrimination in all its manifestations. Our Group has committed to create such an environment where everyone has the opportunity of fulfilment in personal and professional life, and thus to promote diversity. Transparent and non-discriminatory recruitment, fight against mental harassment, sexual molestation and violation of employees’ personal rights are our priorities. We also strive to eliminate all potential sources of discrimination and barriers in our buildings, facilities and installations as well as in our practices, procedures and in the management of our properties.

For the same reasons, namely out of respect for the individual and his or hers inalienable rights, we condemn all forms of forced and child labour. The Orbis Group has committed to monitor its suppliers and providers of service who might use forced labour or labour obtained under threat, and has even reserved the right to immediately terminate all the business relationships with suppliers that do so. Orbis has also committed to strictly adhere to the statutory age limits in the countries where the Group operates, apply due diligence in selecting suppliers and providers of service and reject or terminate cooperation with those suppliers or providers of service who employ children in breach of the law. This obligation also applies to abstaining from illegal employment of employees in all the countries where we operate.

Our ‘Ethics and CSR Charter’ is also a commitment to apply utmost diligence so that our business and hotel premises are not used for the purposes of organized prostitution. We are particularly vigilant about potential sexual abuse of minors.

## G4-SO4 G4-SO5

We also declare strict compliance with competition rules in all the countries where we operate. We commit to take all the viable measures to avoid any corruptive activities, both related to purchases as well as selling procedures. Counteracting the risk of corruption and bribery has also translated into our policy of giving and accepting gifts.

We are particularly vigilant in contacts with public persons and elected officials so as to prevent any suspicion of having influenced their opinions and decisions. At the same time, we reserve the right to express our opinions on public matters related to our activities so as to familiarize representatives of public authorities, either individually, or as part of their associations, with our views.

Being a hotel group, we are also aware of problems such as money laundering and, thus, the need to remain vigilant towards financial flows which could have a criminal origin or destination. In reasonable cases, the Group examines the compliance of its actions with statutory obligations.

In our ‘Ethics and CSR Charter’ we have also regulated matters concerning the protection of rights and data, including unauthorized use of confidential information (insider trading), embezzlement of business assets, conflict of interests, and finally fraud and protection of intellectual property. For example, the Orbis Group requires all employees to report any dependencies between a supplier and

the company and any potential personal relationships between the Group's employees and a supplier. Thus employees cannot abuse their professional position in order to derive, directly or indirectly, any personal benefits or to confer any benefits upon a third party to the detriment of the Group's interests.

We lay particular emphasis on the protection of personal data and the related security of IT systems. AccorHotels has developed its 'Personal Data Protection Charter' available in its intranet website which regulates various aspects of data protection. On the other hand, Orbis has committed to create a special IT security unit, define the rules of use of IT systems in the company, ensure the stability of the most critical systems as well as organise regular trainings for employees at key positions. We also take into consideration the security in the life cycle of IT applications and the implementation of IT solutions to protect personal data (of customers and employees).

The 'Ethics and CSR Charter' also contains other voluntary commitments of the Orbis Group, such as the commitment to offer the optimum conditions of stay (in the sense of minimizing any hazards). This means that modern engineering fire prevention methods have been put in place based on four efficiency criteria, such as limiting the risk of fire outbreak, limiting the risk of fire and smoke dispersion, facilitating the evacuation of all persons in an endangered zone and supporting rapid and effective intervention by emergency or rescue services. Moreover, standards have been put in place to prevent legionella infection and provide for testing by certified laboratories as well as launch of internal monitoring and control policies in all the Group's restaurants by certified companies active on the food hygiene market. Additional security of guests and staff in hotels and Orbis properties is ensured by steady monitoring and analysis of safety level in countries and cities where AccorHotels operates or plans to operate. Safety recommendations based on applicable structures, equipment, technologies and procedures are also developed. We have also committed to make available security tools and recommendations custom-tailored to the specific requirements of hotels of various market segments and to implement a security incident reporting system at the hotel, national management or even head office levels. The Group has also decided to make periodic appraisal of its hotel security measures (by way of audits) as well as to offer trainings and advisory services to its employees.

Importantly, the Orbis Group has declared to run all its advertising campaigns in a responsible manner by approving the information prior to its publication and by applying the ecological criterion as one of the criteria for selecting information carriers and to act and provide information in a transparent manner, particularly as regards prices offered to customers.

**G4-26**

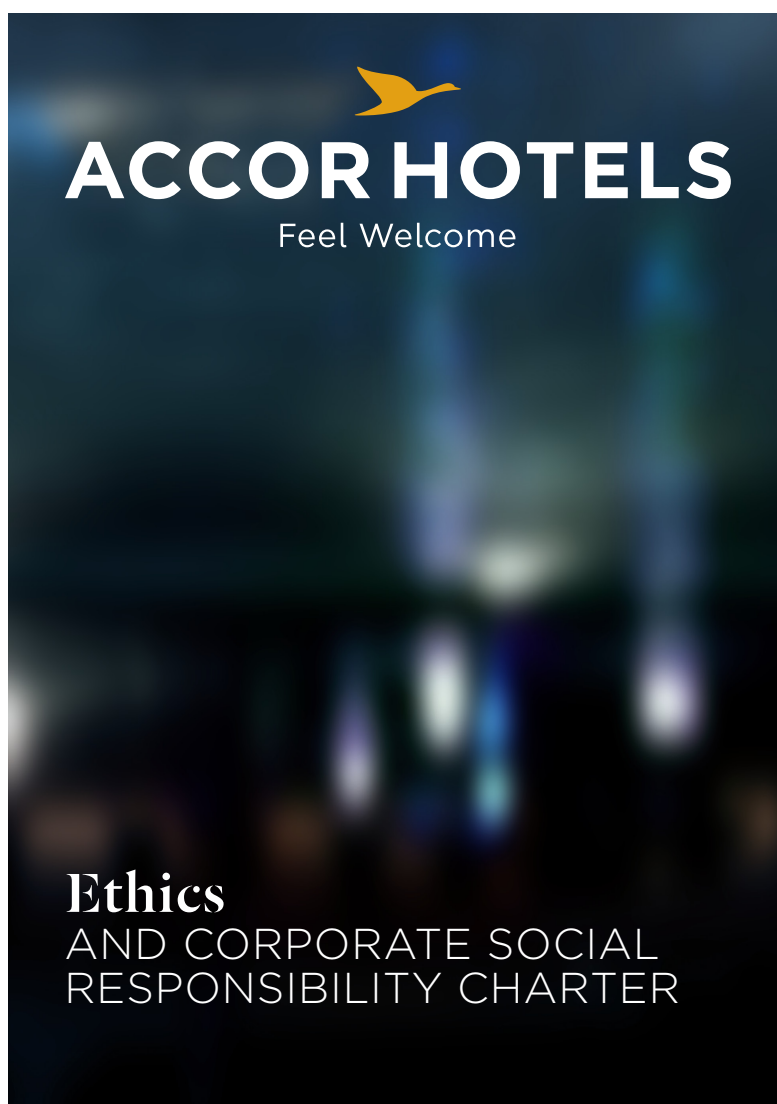
The 'Ethics and CSR Charter' defines the principles of the dialogue between the Orbis Group and its environment. It is also a commitment to embark on a regular dialogue with the Group's stakeholders, in line with the logic of continuous progress, in an effective and transparent manner, in all the countries where the Group operates. We also want to make our partners, franchisees and owners of the hotels managed by us aware what corporate social responsibility of a company means. We encourage our stakeholders to provide feedback, including complaints, to us (More information on stakeholder dialogue is available in the 'Dialogue' box in the Section on 'Detailed Report Description').

Each employee may obtain additional information on the values and principles described in the 'Ethics and CSR Charter' from his or her superiors. In case of questions concerning a particular situation, the employee may approach his or her line superior or the Human Resources Department or the Legal Department in the given country.

The 'Ethics and CSR Charter' has been distributed to all hotel general managers as well as managers and executives in the Orbis Group. All these persons are committed to promote the values and obligations set out in the Charter, above all amongst their own employees, and to ensure that they are properly put into practice.

The Charter is available to each employee online and has also been made available to franchise partners and hotel owners so that they can review its content and comply with its principles.

The Charter is available on the Orbis Group corporate website.



# OUR FOOTPRINT

## SUPPORTING EMPLOYEE DIVERSITY AND INTEGRATING EMPLOYEES AROUND A COMMON GOAL

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Hotel rooms, room equipment and facilities, size and location of the hotel are extremely important, yet it is the people that create the ambiance of a hotel. Therefore, we cannot talk of guest satisfaction aside from employees' satisfaction. Employee commitment directly translates into guest satisfaction and their well-being in a hotel, the hospitality they are experiencing and the desire to revisit the hotel. It is evident at every step, beginning with a sincere smile of the receptionist, through the assistance offered by every hotel employee, to the carefully made up hotel room.

Therefore, we do our best to make our employees feel good at work. We intend to create the best possible work culture and offer development opportunities. We can boast a very long average length of employment in the Orbis Group and a relatively low employee turnover. Our employees have often been with us for several decades and have linked their professional careers with Orbis. On the other hand, we are committed to integrating new employees and preparing them for the role of ambassadors of the Orbis Group and its ethical values. We are committed to organizing custom-tailored trainings with a particular focus on professions that will be needed in the hospitality industry in the future. We also want to give every employee the opportunity to develop the degree of his or her responsibilities and a professional promotion thanks to their competencies.

In our employee policy, we declare competitive remunerations as compared to market salaries in a given country and at the same time we commit to rewarding employees in a fair and motivating way that reflects both their individual as well as team performance. We have deployed talent management policies and competence model. We support career planning, engage in employee commitment tests and cyclical evaluations, including not only competence assessments, but since recently also attitude assessments. Apart from salaries, our employees also receive non-pay benefits (the social package) including discounts on AccorHotels travel services, Multisport sports card, private medical care, free meals for hotel staff, and the opportunity to purchase an attractive insurance. The Company has also set up a social fund and the above-mentioned non-pay benefits apply to all persons employed on the basis of a contract of employment (regardless of whether it is a contract for a limited or unlimited duration, and regardless of the length of employment, etc.).

### G4-11

Our employees are also guaranteed the right to freedom of association and freedom of expression. Two trade unions with the status of an interdepartmental organization are active in the Orbis Group. A collective employment agreement has also been signed, covering all the employees (100%) except the management and executive level. Representatives of trade unions are also involved in the work of the Health and Safety Committee and the Social Committee. The Employee Council also operates in the Company.

The Company has also committed to especially care for employee health, safety and working conditions and maintaining balance between personal and professional life. Hazards at each workplace are identified and measured. Trainings are organized and tools are implemented to reduce the number of accidents, limit the risk of occupational diseases and improve employee health (trainings on health protection and welfare). In 2016, together with the 'Open Cage' (Otwarte Klatki) organization, two lectures on nutrition in the light of civilization illnesses were offered to employees of Orbis S.A. office in Warsaw and for cooks from the TriCity who create menus for guests and staff in

our hotels. Apart from mandatory health and safety trainings, first aid courses, for instance defibrillator training courses, are organized for our employees. In 2016, Orbis S.A. purchased a total of 47 such devices and each hotel is equipped with an AED defibrillator and is now labelled a 'Hotel with a Heart'. We are confident that this program will ensure safety to not only thousands of our guests and customers, but also to people in need of help in the vicinity of our hotels. We have also notified Voivods about the locations of the defibrillators to support the operation of the emergency medical services.

We do our best to anticipate and estimate the impact of changed working conditions on the health and well-being of our employees. We strive to comprehensively analyse psycho-social risks and to deploy relevant management methods. In view of human respect and dignity, we are specifically committed to treating important events in the lives of our employees with due respect (such as births, marriages, vacations, deaths of close relatives, etc.), reducing unexpected situations involving change of work schedule without notice, so as to cut down inconveniences related to untypical work hours in the hotel industry (time schedule known in advance, fixed shift work hours, so that time off-work is allocated fairly, adherence to working time regulations, etc.) and taking into consideration employee's problems related to commuting to work, if a given work position allows taking it into account. Other liabilities to employees include, for example, remuneration policies, recognition of achievements, training and support in the pursuit of their professional carrier.

Our ambition is to educate a successive generation of managers. Accordingly, we have prepared for them an entire cycle of development programs such as:

- Fast Track
- Career management
- International Hospitality Management Program
- Women at AccorHotels Generation
- Recognition of talents: AccorHotels Professions Challenge
- Culinary Excellence - program of workshops for cooks
- The Bernaches awards: honor hotel & head office employees.

We do our best to awaken in our employees the sensitivity to social and environmental issues that are so important in our business. We want our employees to understand that our actions are integral and real, therefore, so we endeavour to engage them in campaigns for the benefit of local communities or the natural environment.

## Earth Day - Planet 21

On the worldwide Earth Day celebrated around April 22 every year, more than 3 000 employees of the Orbis Hotel Group work to protect the natural environment. We clean parks and forests, we plant trees and flowers. We also educate children and adults on waste segregation, ecosystems, biodiversity and healthy food.

We also make every effort to look at staff development more broadly, not only from the narrow perspective of our business, but from the viewpoint of the industry. Amongst others, we became involved in educating future hospitality industry staff by embarking on a long-term cooperation with several vocational hospitality and/or gastronomy schools. This cooperation goes far beyond accepting students for in-house professional trainings - our employees not only take an active part in running classes, but as a Company we contribute to the works of the vocational schools and students carry out projects in our hotels. Apart from that cooperation, individual hotels also undertake collaboration at the local level (for example Wrocław is currently implementing a project that involves people with disabilities in working for the hospitality industry).

## DIVERSITY

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Diversity-related aspects have been widely discussed in the 'Ethics and Corporate Social Responsibility Charter'. They are regulated in detail in the 'Orbis Diversity Policy' adopted by the Orbis Group. The Charter sets out the Company's commitment to eliminating all forms of discrimination, whether on the grounds of ethnic, social or cultural origin, gender, age, physical features or disability, religious belief, sexual orientation, family status, trade union activities or any other grounds prohibited under law. The aim is to ensure equality of opportunity for employees with the same professional skills, in particular for women and men, in all areas of work and in all the phases of their working life: recruitment, training, remuneration, geographical mobility, and career development. The policy also guarantees incorporating diversity into training programs (every training course provided for managers via the AccorHotels Academies' network includes a module specifically devoted to diversity; all our employees can take the diversity e-learning course via the AccorHotels intranet). The policy also means a commitment to inform our employees and our business partners about the actions taken by the Group to help promote diversity and to give guidance as to how these can be put into practice. Our suppliers, sub-contractors or service providers are required to sign the 'Orbis Group Procurement Charter' and to comply with the non-discrimination principles set out in it. We recognize the diversity of our guests and do our best to take account of this by adapting our products and services to their identified needs. A key point here is the attention given to our female customers. Our hotels enrich the stays of women guests with a range of services designed to cater for their needs. These will take different forms beginning with room allocation and facilities available in the room, and ending with the Food & Beverage offer. We regularly carry out employee engagement surveys of our employees and measure the impact of our actions in favour of diversity.

Our Group declares no tolerance whatsoever for any form of mental harassment, violation of personal dignity or sexual molestation. The Orbis Group requires all managers to alert the Human Resources Director of any such cases in order to take the necessary steps to stop such mental harassment, violation of personal dignity or sexual molestation of which the Director was informed.

At the employee recruitment stage, it is prohibited to select candidates on the basis of non-substantive criteria (such as religion, age, gender, political views, ethnical origin, trade union membership, etc.). As a rule, selection of candidates for a given position is made based on a uniform methodology and the recruitment of staff takes place primarily based on the Group's needs and qualifications of individual candidates, according to the criteria professional competences and personal merits, without taking into account other factors.

As regards diversity management, we recognize the need to fight stereotypes that underlie discrimination. The environment, to-date experiences and subconscious expectations may affect our perception of other people.

Therefore, it is on the one hand important to raise issues relating to respect for people, their diversity and differences during communication as well as during different types of training. It is important to



build awareness and sensitivity to issues related to acceptance of diversity and tolerance. The Orbis Group has been a signatory of the Polish Diversity Charter since 2012. Orbis S.A. is one of the first group of signatories of the said Charter and the partner of the Conference which has inaugurated the Charter in Poland. It embodies the Company's commitment to build the corporate atmosphere and the organizational culture which respects diversity and launches institutional, internal solutions aimed at equal treatment, development and implementation of equal treatment and diversity management policies at the workplace, launch of anti-discriminatory and anti-fraud monitoring, conduct a dialogue with employees on the diversity management policy and annual reporting of actions and their practical outcomes.

## Diversity Charter in Poland

The Diversity Charter is an international initiative supported by the European Commission, implemented in countries of the European Union such as Austria, Belgium, the Czech Republic, Denmark, Estonia, Finland, France, Spain, the Netherlands, Ireland, Luxembourg, Germany, Poland, Portugal, Sweden and Italy. The Charter is a commitment signed by organizations that decide to ban discrimination in the workplace and act for the benefit of creating and promoting diversity, and expresses the Company's readiness to involve all employees and business and social partners in these actions. Organizations that decide to launch these tools operate for the sake of social cohesion and equality.

The content of the Polish version of the Charter has been created thanks to consultation with representatives of organizations representing the interests of various social groups exposed to discrimination, public administration and business representatives.

The Polish version of the Diversity Charter was launched on February 14, 2012, during a conference in the Chancellery of the Prime Minister. Orbis Group was the partner of the Conference. The Diversity Charter was ceremonially signed during the Conference by Presidents of the following companies: Aviva, British American Tobacco Poland, Danone, Deloitte Poland, the Orbis Group, the Żywiec Group, Kompania Piwowarska, L'Oreal Poland, Nutricia, Orange Poland, Provident Polska S.A., PwC, Totalizator Sportowy sp. z o.o., and Unilever.

## Orbis at the Great Integration Gala

The Great Integration Gala was the largest celebration of people with disabilities in Poland. It was organized on the occasion of the International Day of People with Disability to summarize the annual integration activities for the benefit of people with disabilities.

For 21 years it has been an opportunity to meet for people with all kinds of disabilities from all over the country as well as for public figures, politicians, representatives of media, companies involved in actions for the benefit of disabled people and representatives of non-governmental organizations.

During the Gala, a report from our Novotel Warszawa Centrum hotel has been presented as a good example. The session has been attended by 2 000 persons and remotely followed by 11 000 participants.

## #HeForShe Campaign

AccorHotels, and thus the Orbis Group, is one of 10 companies worldwide selected to actively participate in the #HeForShe campaign. The purpose of the campaign is to involve men to improve the situation of women and to actively work for gender equality. The actress Emma Watson is face of this campaign.

By participating in the #HeForShe campaign, Orbis and AccorHotels commit, alongside 9 other companies, 10 universities and 10 governments selected by the UN Women Program, to achieve the 2017 goals.

The Women at AccorHotels Generation (WAAG) network joins women working in the AccorHotels and Orbis Group, supporting their professional development. It associates nearly two hundred women and several dozen men of the Orbis Hotel Group in Poland and in the Eastern Europe. In the Orbis Group, as many as 40% of hotel general managers are women, which is the highest percentage in the total worldwide community of AccorHotels Group. The goal of the network is to develop leadership skills, build greater work comfort and mutual inspiration. The 'WAAG Empowerment' program, i.e. a series of workshops for women working in the Orbis Hotel Group, was built around these goals. Since January 2015, the Orbis Hotel Group has been offering a mentoring program to WAAG members, which is carried out by a dozen couples not only in Poland, but also in Romania, Bulgaria, the Czech Republic and in Hungary.

Last year, information about the Women at AccorHotels Generation (WAAG) appeared twenty times in the mass media despite no dedicated information campaign being launched. On the other hand, a small few-day HeForShe campaign presenting the Orbis Group as an open and friendly employer which supports the professional development of women was launched in the social media. In 4 days of the campaign, the information reached 28 000 recipients. It is particularly valuable that the information was actually of interest to the addressees. As many as 26% of women who came across the spot did not click 'Skip the ad' and watched at least 30 seconds of the video.

The ideas fostered by the Women at AccorHotels Generation network (WAAG) were also presented throughout the year during workshops and trainings organized by the Orbis Group. Here, the 'Happiness at Work' (Szczęście w pracy) Conference is worth a mention (100 participants in Warsaw, Kraków and Tri-City) and 'Conscious Business Communication' (Świadomie o komunikacji w biznesie) (50 participants in in Warsaw, Kraków and Tri-City). A gala organized by the Professional Women Network (PWN) in Bucharest (Romania), which took place in November 2016, was attended by 120 participants and was honoured by the presence of Ms. Anca Dana Dragu, the then Minister of Finance of Romania, also deserves a note. The Swedish Ambassador accredited in Romania was also present. The international association PWN awarded to Mr. Gilles Clavie, the President and CEO of Orbis S.A. the prize for his special contribution not only for promoting women, but also for creating a corporate culture that supports and empowers women. In total, the Women at AccorHotels Generation (WAAG) associates nearly 250 men and women in 9 countries where Orbis operates.



The development of the mentoring program for women, specifically for 25 mentor-mentee pairs in Poland, the Czech Republic, Romania and Bulgaria, also deserves a mention. Within the frame of this program last year 2 mentoring cycles for 10 pairs were conducted in Poland, 3 empowerment training sessions for a total of 60 participants from the lower and middle management levels (80% of which were women) were held in Romania, and mentoring workshops for 16 participants were conducted in Hungary.

## INVOLVEMENT OF OUR GUESTS IN SUSTAINABLE GROWTH

**G4-SO1**  
**G4-EN8**

By involving guests, we intend to show them the real impact of their behaviours and attitudes on the surrounding world. Many hotels, including the hotels of the Orbis Group, encourage their customers to make savings for the sake of the natural environment. In most hotels around the globe we can be encouraged, for example, to use towels several times instead of their laundry after a single use. This allows reducing water consumption, the volume of waste water, detergents used, or electricity needed for laundry washing. Given the scale of the hotel, and - even more - the scale of the entire hotel network, this translates into a considerable environmental savings. At the same time, it generates significant cost reductions. The financial aspect is sometimes regarded by bystanders as the key factor - they would then accuse hotel owners of being cynical. With this in mind, the Orbis Group has decided to share its savings with others. This assumption was the cornerstone of the 'Plant for the Planet' afforestation program of the AccorHotels and Orbis Group. It involves transferring 50% of the savings made on the laundry of towels for planting trees and reforestation projects.

### 'Plant for the Planet' in Poland: the 'Kosztela' Project

Together with the AgriNatura Foundation, the Orbis Group supports the planting of fruit trees of the old varieties. The 'Kosztela' project, which is part of the 'Plant for the Planet' program, is being implemented since January 2015.

The Foundation has been involved in sustainable rural growth since 2007, in particular protection and multiplication of genetic resources, agricultural biodiversity, development of ecological and biodynamic agricultural methods of agricultural production and local product processing. And all this is possible thanks to our environmentally conscious guests. Project assumptions are quite simple: the Orbis Group encourages customers to reuse their towels and commits to transfer 50% of savings thus made to the program of setting up new traditional orchards, thereby preserving and multiplying the old varieties of fruit trees. Thanks to this solution, more than 6 500 fruit trees of the traditional Polish varieties such as the kosztela variety have been planted, thus providing a tangible assistance to farmers owning very small plots of land, for whom the running of a small organic farm has become the only source of income.



*'Convicting traditional orchards for extinction is an irreversible loss for biodiversity. Old varieties have a higher usable value. They are more resistant to frost or disease and have valuable biological values. They are simply healthier than many of the new varieties that require intensive chemical interference' - explains Tomasz Włoszczowski from the AgriNatura Foundation.*

## ‘Plant for the Planet’ in Romania: ‘Tree for Every School’

Hotels belonging to the Orbis Group and AccorHotels have planted 2 000 000 trees in the Romanian Transylvania, drawing attention to illegal deforestation of these green lungs of the country.

The aim of the ‘Tree for Every School’ project is to counteract climate change and to improve the natural landscape by preserving and expanding forested areas, reforestation of degraded areas and raising awareness of the importance of environmental protection in the society through education and participation in planting trees.

The ‘Tree for Every School’ project is conducted by Mihai Eminescu Trust in cooperation with schools, municipal authorities, associations and forest inspectorates. To date, already 2 million trees have been planted. The millionth tree was planted in the forest near the village of Archita, in the district of Mures, by His Royal Highness the Prince of Wales together with Vice-President MET, Caroline Fernolend.

## The Orbis Hotel Group - Partner of the Big Family Card

In April 2015 in Warsaw Gilles Clavie, President and CEO of Orbis S.A., signed an agreement concerning participation of the Orbis Hotel Group in the national ‘Big Family Card’ program. Thus, Orbis S.A. is the first hotel group in Poland to have joined the government program of discounts for families with many children.

‘Being a leader of the hospitality industry in Poland is a satisfaction, but also a responsibility, which we pursue through our engagement in CSR. We are glad to have joined the project of the Ministry of Labour and Social Policy. Thanks to the system of discounts which we offer via our accorhotels.com reservation platform, we would like to contribute towards reducing the cost of travel and leisure of Big Family Card holders’ - says Gilles Clavie, President and CEO of Orbis S.A.

Beginning from June, 2015, when making a reservation through the [www.accorhotels.com](http://www.accorhotels.com) website, Big Family Card holders will be able to benefit from a special offer and receive 20% discount on stays in Sofitel, Mercure, Novotel, ibis, and ibis Styles hotels in Poland and in addition receive free breakfast for children under 16 years of age.

The ‘Big Family Card’ is the government program of discounts for families with many children. All families with three and more children, regardless of their income, can benefit from this program. The discounts apply to, among others, railway, museum and national park entrance tickets. Companies joining the program offer their services and products at lower prices and/or in attractive packages, so that cardholders can benefit from a wide range of cultural, leisure or transportation offers.



## INTRODUCTION OF INNOVATIVE SOLUTIONS IN COOPERATION WITH BUSINESS PARTNERS

**G4-12**  
**G4-EN32**  
**G4-LA14**

One of the key factors of building lasting relationships with business partners is integrity. We treat our suppliers honestly, but we also expect honesty towards us and third parties with whom our business partners cooperate.

We inform our partners about the principles we follow under the Planet 21 Program, which is reflected in the content of the agreements we sign with all our recommended suppliers. The mandatory element of these agreements is the so-called ‘Planet 21 Charter’ (‘Planet 21 Purchase Charter’ compliant with the Planet 21 strategy). It obliges all (100%) of the recommended suppliers to

act in accordance with these principles and for the benefit of the objectives that we have declared within the frame of social and environmental dimensions of our business. What's more, the same commitment to adhere to the Planet 21 Charter also applies to our business partners' contractors and subcontractors, and the business partner with whom we cooperate is responsible for the adherence to these principles.

Our partners also commit to participate in our assessments and to deploy potential corrective plans. We reserve the right to carry out an audit of a subcontractor. A serious breach of rules may lead to a termination of the agreement and discontinuation of cooperation with the breaching company.

As regards priority shopping, the Orbis Group offers solutions with better environmental and social parameters, provided they meet economic and technological criteria.

### Principles described in the Planet 21 Charter applicable to Orbis Group suppliers with respect to human dignity:

- **Conditions of work.** The Supplier commits not to apply degrading practices in the company, such as corporal punishment, sexual harassment and molestation, forced labour or labour under threat. The supplier commits to take all the necessary measures to ensure that each employee is treated with due respect and dignity. The Supplier requires of each of its directors and/or managers to report to the HR Department any sexual harassment and/or molestation of which he or she is informed in order to eliminate them. The Supplier commits to verify its suppliers and subcontractors who may use forced labour or labour under threat in any form. If the Supplier is informed of such an occurrence in any of its service providers, the Supplier must immediately terminate its cooperation with this service provider.
- **Child labour.** The supplier and its subcontractors must comply with the minimum age requirements laid down by the legislation of each country in which the Supplier operates. The Supplier confirms that regardless of the legislation of the country concerned, the Supplier shall in no case permit the employment of children under the age of 14.
- **Protection of health and safety.** The supplier must protect health and safety at the workplace through regular checks, specifically, of the compliance of the Suppliers' equipment/ installations with the applicable standards. The Supplier shall ensure that its actions are not detrimental to the health and safety of its employees, subcontractors, operators involved in its business, the local population and its product users.
- **Work hours.** The Supplier must apply national law and in all cases comply with international working time rules defined by the International Labour Organization with regard to its business sector. Moreover, the Supplier will provide appropriate rest time to its employees.
- **Remuneration.** The Supplier will apply national law and will provide his or her employees with a minimum salary level that allows for decent living conditions, taking into account the cost of living in the vicinity of the place of work. The Supplier will regularly pay salaries to employees.
- **Compliance with trade union and association regulations.** The Supplier commits to respect the freedom of association and to accept trade union activities under national legislation. The Supplier will provide employees with the freedom of expression in the company with respect to matters relating to work conditions.
- **Discrimination.** The Supplier should combat all and any forms of discrimination, specifically discrimination based on gender, origin, religion, political views or sexual orientation and commits to promote cultural diversity.
- **Combating sexual abuse of minors.** The Supplier commits to remain vigilant in order to ensure protection of minors against sexual abuse as part of his business and the Supplier's premises cannot be used for the production, distribution and storage of pornographic materials produced with the participation of minors



## CLOSE COOPERATION WITH LOCAL COMMUNITIES

### Protection of Children and Youth Against Sexual Abuse in Tourism

SO DMA  
G4-SO1

Commercial abuse of children, specifically their sexual abuse, is often a taboo, a topic raised rather reluctantly and with a dose of embarrassment, although everyone is aware that this cruel business exists right next door. Child protection against sexual abuse is one of our commitments under the Planet 21 program. Initiating, back in 2012, and then signing in the same year of the Code of Conduct by Orbis in cooperation with the Commander-in-Chief of the Police and the then Nobody's Children Foundation (*Fundacja Dzieci Niczyje*) [presently named Empowering Children Foundation (*Fundacja Dajemy Dzieciom Siłę*)] was a milestone in the Orbis Group's efforts for sustainable growth. It has also signalled the growing problem of sexual abuse of children and youths across the entire hospitality industry in Poland.

#### Code of Conduct - Children and Youth Protection Policy Against Sexual Abuse in Tourism.

Being the leader of the Polish hotel market, in October 2012 the Orbis Hotel Group signed, as part of its preventive and educational actions for the protection of the minors, under the honorary patronage of the Commander-in-Chief of the Police and the then Nobody's Children Foundation (*Fundacja Dzieci Niczyje*), a breakthrough document for the tourist industry in Poland, namely the Code of Conduct aimed at protection of children against sexual abuse.

The Code was signed thanks to interdisciplinary cooperation, a tripartite involvement and common perspectives of promoting good practice against child abuse between Orbis S.A., Commander-in-Chief of the Police and the then Nobody's Children Foundation (*Fundacja Dzieci Niczyje*). The Code of Conduct is a response to the global problem of sexual abuse of children on a worldwide scale and in Poland and aims at raising public awareness as well as initiating and implementing actions that counteract this form of child abuse.

In November 2016 the code was signed in Romania together with the local The Federation of NGOs for Children (FONPC). This was the first time ever a commercial company in Romania has committed to deploy child protection tools. The event was widely echoed in the Romanian media. It was attended by the Minister of Labour, Family and Social Affairs.

By signing the Code of Conduct, Orbis S.A. has self-committed to:

1. Put in place an internal policy aimed at preventing sexual abuse of children.
2. Regularly train hotel staff in respect of the policy put in place by our company.
3. Introduce a clause in contracts with suppliers informing about the actions taken against sex tourism.
4. Provide information to travelers by means of catalogues, brochures, flyers, commercials or a website about the problem of sexual abuse of children and social commitment of businesses to efforts aimed at combating the problem.
5. Inform key persons in the local environment about the Company's policy and cooperate with the police, taxi drivers, owners of bars and restaurants, etc.
6. Report annually.

The Code of Conduct was created in 1998 upon the initiative of ECPAT (End Child Prostitution Child Pornography & Trafficking of Children for Sexual Purposes), a network of non-governmental organizations taking actions to eliminate the problem of child prostitution, child pornography and trafficking of children for the purpose of their commercial abuse. The Code coordinating organisation is based in Bangkok. The Nobody's Children Foundation (*Fundacja Dzieci Niczyje*) [presently named Empowering Children Foundation (*Fundacja Dajemy Dzieciom Siłę*)] is the local representative of the Code of Conduct in Poland (the so-called 'Local Code Representative') and a representative of ECPAT. The Code is a tool promoted under the National Action Plan Against Trafficking in Human Beings of the Ministry of the Interior and Administration.



Although the Code has been signed by more than 1 000 companies worldwide, in Poland it has been embraced only by the Orbis Hotel Group, which is the only company that meets all its criteria and regrettably still remains its sole signatory.

Notably, the signing of the Code of Conduct is not a pure declaration as it entailed a series of internal actions. Orbis has, among others, put in place the policy of combating sexual abuse of children and youths. Since its signing, the Orbis Group in cooperation with the Empowering Children Foundation (Fundacja Dajemy Dzieciom Siłę) regularly trains hotel staff. Since 2012, nearly 1 000 hotel employees of hotels operating under AccorHotels brands in Poland and in Eastern Europe have been trained, including 100 employees of Orbis partner companies (security and taxi companies).

*'It was Orbis who initiated the signing of the Code of Conduct, which is a milestone in raising awareness amongst the public and the hospitality industry on the problem of combating sexual abuse of children. We are very glad that our Foundation could assist in deployment of the Code and train employees of the Orbis Hotel Group'* - adds Maria Keller-Hamela, Vice-President of the Empowering Children Foundation (Fundacja Dajemy Dzieciom Siłę), formerly Nobody's Children Foundation (Fundacja Dzieci Niczyje).



#### HR DMA

At the same time, clauses on actions to combat sex tourism have been added to contracts with suppliers. We inform tourists about the problem through a variety of communication tools, alerting them to symptoms that may indicate child abuse. Orbis cooperates with institutions and people who may come in contact with the problem also at the local level (local police units, taxi drivers, bar and restaurant owners, etc.).

Thanks to training and comprehensive action aimed at raising awareness of child abuse, several children could be saved each year, preventing the attempt of their sexual abuse, all thanks to vigilance of hotel staff and our guests. The first such case took place shortly after the signing of the Code of Conduct and training of employees in one of hotels in Szczecin. Thanks to the courage and commitment of the receptionist, a man who brought to the hotel two young boys with the intention of their sexual abuse was detained. The case was immediately taken over by the prosecution. Soon after a similar case was reported in Wrocław, and the perpetrator was sentenced to 7 years imprisonment.

Actual cases of counteracting crimes, paedophile detentions and convictions help to protect children. Nevertheless, it is the long term benefits that are important, i.e. raising awareness of these crimes and showing real cases of combating them. We are convinced that such cases occur in hotels of all networks. We hope that by alerting guests and staff to this problem, we will sensitize and encourage other hoteliers to take action. Setting an example, as the leader in the industry, we are counting on this approach to become the industry's benchmark.

We are glad when our activities in the area of counteracting sexual abuse of children and youths are noticed and appreciated. One of our corporate clients, Polpharma, has distinguished us when referring to the best practices of its suppliers.

## Transparent Sponsoring Principles

#### SO DMA G4-SO1

Unlike typical charity activities, sponsorship is aimed at mutual benefits. In the case of the sponsor, that is the Orbis Group, these are benefits involving the Group's image. All sponsorship offers submitted to the Orbis Group are subject to a thorough analysis, and the cooperation with the sponsored entity is carried out on a per-contract basis. The contract defines the scope of co-operation under the sponsored project and the detailed rights and duties of the parties. Already at the offer pre-selection phase, we pay special attention to whether and to what

extent these offers fit in with the values of our Group, namely passion for hospitality, innovation, sustainable growth, trust, spirit of conquest and respect. The principles of sponsorship are defined in the 'Sponsorship Policy of the Orbis Hotel Group'.

As a rule, the Orbis Group sponsors three categories of actions. The first type is social sponsorship, covering local communities, in particular support for activities within the frame of environmental programs and support for the independence of children and youth in difficult situation in life. Orbis also sponsors science, development of expert know-how and professionalization of the hospitality industry in Poland and in the region. The last, third, area is the sponsorship of sporting and cultural events building a positive image of the company and its brands.

## OFFERING HEALTHY, BALANCED MEALS WHILE REDUCING FOOD WASTE

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### Meals and Product Choice

**PR DMA**  
**G4-PR1**

We are restaurateurs, and it is our goal and ambition to offer to our guests healthy and balanced meals. We are aware that our customers expect the products that we serve to be of top quality. On the other hand, we know that today's nutrition model is often not always balanced or optimal. Healthy nutrition is one of the most important challenges of our Group and at the same time one of the key points of today's health prevention policy aimed at reducing the risk of cancer, cardiovascular disease, diabetes, obesity, etc. These aspects, including the voluntary commitments of the Orbis Group, are described in the 'Healthy and Sustainable Food Charter'. They also constitute a part of the 'Code of Ethics and Corporate Social Responsibility'.

We are committed to promoting healthy eating by developing tools and solutions that assist in the preparation of balanced meals. We provide clear information about healthy and balanced meals in our hotel restaurants to our customers and employees.

Regardless of the price range of the restaurant and the hotel, we lay great emphasis on the quality of food and the balancing of meals offered to our guests. For example, we attach great importance to the quality of meat and products of animal origin which we buy. We care about the welfare of farm animals. In practice, our policy prohibits serving animal meat produced on farms where hormones are administered to animals. Regardless of the type of meat, be it poultry, beef or pork, it cannot contain hormones. Likewise, milk used in our restaurants comes from cows raised without growth hormones. We also intend to offer a vegetarian menu in each of our restaurants so that guests would be able to choose a meal without animal protein, if they so choose.

We limit use of the so-called 'bad fat', i.e. fat containing trans fatty acids in our restaurants. Our goal is to completely replace palm oil with other non-hydrogenated fat. Already today we prefer processed products that do not contain palm oil, specifically for sandwich bread and French fries and chips. On the other hand, when the use of palm oil is particularly important in a given recipe, we prefer palm oil produced in a sustainable factory (certified RSPO, Organic or Rainforest Alliance).

## AccorHotels and the Orbis Group Launch Cooperation with the Humane Society International to Supply Hotels With Free-Range Eggs

In April 2016, the AccorHotels Group committed that by 2020 all the eggs (regardless of the form) served in its hotels would be supplied from free-range breeding, if they could be purchased in the country. Implementing this commitment, the Group has partnered with Humane Society International to jointly identify responsible sources of supply, particularly in the regions where the respective supply chains do not exist, are difficult to find or are just being created. By the year 2020, AccorHotels will completely eliminate battery-cage eggs from its supply chains on the European market and on the remaining markets, wherever the law and local certification rules so permit. The process will last up to 8 years.

The AccorHotels Group is working to eliminate battery-cage egg farming through its purchasing departments and food & beverage divisions on a worldwide scale. At present, all eggs that are served in AccorHotels Group hotels in Austria and Switzerland and more than 60% of eggs served in Germany and France come from free-range farms. On the other hand, the Orbis Hotel Group, which is the main AccorHotels partner in Eastern Europe, does not serve battery-cage eggs in its Novo2, Winestone, ibis Kitchen and 'à la carte' hotel restaurants for months now.

Withdrawal from battery-cage egg purchasing is one of the elements of the 'Healthy and Sustainable Food Charter' launched from April 2016 at AccorHotels and the Orbis Group, which aims at offering hotel guests not only healthy food, originating from sustainable farming and livestock, but it also addresses the current challenge of reducing food waste on a global scale. The 'Healthy and Sustainable Food Charter' is a part of the 'Planet 21' sustainable growth program.

We also do our best to reduce the hidden sugar (such as glucose-fructose syrup) in food products served in our hotels. For instance, we take efforts to ensure that the bread, pastries and cakes served for breakfast contain its least possible volume or not at all. We prefer orange and apple juice made from 100% juice, without the addition of sweetening syrup.

At the same time, we prefer local suppliers and suppliers of organic food and food manufactured in accordance with the principles of sustainable growth. For our guests we also take efforts to select food products that do not contain or contain the least possible amount of artificial additives (such as artificial flavours, preservatives, dyes, flavour enhancers).

During the first months of 2016, the menu in the NOVO2 and Winestone restaurants was changed according to the guidelines contained in the from the 'Healthy and Sustainable Food Charter'.

## Urban Vegetable and Fruit Gardens and Shortening the Supply Chain

### G4-SO1

A new initiative which is gaining popularity is the establishment of urban vegetable and fruit gardens. All in all, 25 hotels in Poland, Hungary, Romania and the Czech Republic cultivate such gardens, either small ones for their own needs or slightly larger which are shared and managed with their local communities, or herbal gardens which permit serving dishes with fresh, aromatic herbs to guests. This approach is very solidly rooted in our policy, which is reflected in the 'Healthy and Sustainable Food Charter'. Caring for the top product quality means the need to monitor and cut down the chain of supplies. For this reason, wherever possible and reasonable, we choose local suppliers, limit the number of intermediaries and reduce as much as possible the purchase of products from extensive farming. We also reduce supplies of food from distant places, i.e. products transported thousands of kilometres (i.e. we prefer local spring water). We do our best to choose seasonal products and for this reason for instance we avoid serving fresh strawberries or cherries in our European hotels during winter. In connection with the 'Plant for the Planet' program, we will offer agro-forestry products, thereby contributing to actions aimed at reducing carbon emissions ('insetting').

## Bio & Co in Romania

Upon the initiative of the ibis Bucharest Gara de Nord hotel, a Bio & Co project has been launched in the farm in the Ciocanari village. The project is implemented jointly with the Ateliere Fara Frontiere foundation. Beginning from April 2016, AccorHotels helps 20 persons who are in a very difficult life situation to become more independent in their lives through a training program followed by professional work in organic farming. It is worth highlighting that the farm consumes food waste from hotels as its natural fertilizer, while the products, i.e. vegetables and fruits from this project, are delivered to the Orbis Group hotels in Bucharest, thus creating a sort of 'circular economy'.

The corporate 'Solidarity AccorHotels' Foundation has financed this project with the sum of € 23 000 in 2016.



## Counteracting Food Waste

We are aware of the problem, or we may even call it the plague, of food waste in the world. It means not only needless costs, but is simply unethical. This phenomenon happens both in private homes as well as in all types of restaurants, including hotels. It is caused by reckless buying of too much foodstuffs, which end up being thrown into the trash bin after their expiry date, which is a common practice in households. In the case of restaurants, rational management of food products is doable and we do everything to adjust purchases to our current demand, which allows us to offer always fresh food and top quality meals. However, this does not mean that we cannot do even better. On the other hand, this problem also has another, completely different dimension, which is much more difficult than the management aspect, as it depends on customers' habits - we mean the food leftovers left by guests on their plates.

## Global Food Waste

Every year one third of the food in the world designated for human consumption, i.e. almost 1.3 billion tons, is wasted. Less than a quarter of the wasted food would suffice to end global starvation affecting 795 million humans (source: <http://www.fao.org/save-food/resources/keyfindings/en/>)

The impact of agriculture and the food industry on the environment is also significant. Production of 1 kg of beef consumes no less than 16 000 litres of water and of one baguette as much as 100 litres of water. All the produced and unconsumed food is responsible for more than 7% of annual global carbon dioxide emissions. It is estimated that 25% of the food purchased in the hospitality and restaurant industry ends up in the trash bin.

To cutback food waste, in our hotels we monitor and analyse the consumption of food at every phase, beginning from placing an order, storage, serving the meal and its preparation in the kitchen. We also encourage hotels to donate unsold food free of charge, in compliance with the local regulations and health rules. Last year, based on a 3-month pilot program in one of Budapest hotels, we have been able to develop operational guidelines aimed at reducing food waste. The pilot programme alone was sufficient to generate savings of EUR 27.5 thousand. We strive to raise public awareness of the issue by co-organizing conferences in Poland ('Zero-Waste Home, i.e. How to Save Money' with the participation of Bei Jonhson) and in Romania (the 'Leftovers' Conference in Bucharest), with the participation of a few hundred people last year.

Keeping in mind the natural environment, we reduce the volume of packaging used, for instance by eliminating individual portions, promoting large bottles of water and not using bottles smaller than 33 cl. Where technical conditions and health considerations so permit, we offer filtered water or water from dispensers.

We have ambitious goals for healthy and sustainable food production by the year 2020, which involve reduction of food waste by 30%, 100% of our restaurants following the guidelines set out in the 'Healthy and Sustainable Food Charter' and setting up urban gardens in 30% of the Group's hotels.

## LOW EMISSION HOTEL BUILDINGS OF THE GROUP

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### Ensuring low emission of new constructed hotels

#### EN DMA

The environmental policy of the Orbis Group is based on a management system which is designed to monitor environmental areas most affected by hotels, both construction as well as operation phases. Environmental management approach, including multi-year objectives and the methods of their operational achievement are directly derived from the 'Planet 21' document, which sets out the Company's environmental policy. The Orbis Group plans a gradual implementation of the BREEAM certification, i.e. all new hotels will be built in compliance with it, and the existing hotels will be adjusted to its requirements, wherever possible.



This approach requires defining goals to improve the Group's environmental performance, implementing and monitoring their performance through appropriately selected indicators and environmental control tools. Negative environmental impact is controlled and systematically reduced thanks to the OPEN operational program, which facilitates managing energy intensity, water consumption and segregation of waste in all hotels of Orbis S.A. The key factor that links the comprehensive thinking about environmental impact management is actions aimed at raising the environmental awareness of guests and employee trainings. To this end, trainings for employees have been developed and are being organised and messages are put on display in hotels (in the form of for example murals, posters) informing guests about the negative environmental impact, raising awareness and influencing their attitudes and behaviours.

Environmental footprint areas which the Orbis Group particularly focuses on:

- energy consumption and the related carbon dioxide emissions,
- water consumption,
- pollution and sewage,
- waste management and recycling,
- biodiversity

Given that daily operation of so many properties inevitably means high demand for electricity and heat, the Orbis Group places great emphasis on controlling their consumption. No doubt energy consumption in hotels is quite costly, thus streamlining energy demand perming making measurable savings not only for the environment, but also in the financial perspective.

Implementing long-term action plans relating to energy intensity management translate into a sustainable reduction in consumption. The Orbis Group also endeavours to promote renewable energy by relaying on renewable energy (RES) at construction sites or for the purpose of renovations by selecting RES that are available in a given region and participating in the development of technologies that will reduce energy consumption and cutback the climate footprint.



Our Group has also committed to protect water resources by way of regular monitoring of water consumption, installing equipment and deployment of measures to reduce water consumption. Special emphasis is laid on water consumption control by hotels in areas with water scarcity. The Orbis Group also declares controlling the impact of sewage discharged into the environment by guaranteeing systematic sewage cleaning in all the hotels and use of eco-products (cleaning agents, herbicides, etc.) that contain less chemicals and reduce their content in sewage. We strive to select suppliers and service providers (primarily laundry) that adhere to environmental guidelines.

The Orbis Group also spares no effort to deploy environmentally friendly solutions that eliminate or minimize all kinds of nuisances (sound, visual, odours). We strive to optimize raw material consumption, for instance by reducing the number of packaging or by choosing recycled or recyclable materials. We also focus on increasing the share of selected waste (by sorting the waste produced within the frame of the business pursued, deployment and informing customers about waste selection solutions).

We are aware that a hotel business can pose a threat to biodiversity at all the phases of hotel operation, beginning from the construction phase to many-year operation phase. Already at the phase of location search and design of the new building, we take care that the new hotel fits as closely as possible into the surrounding environment and that its construction process is least burdensome on the neighbouring areas, including local ecosystems. During construction, we promote the use of raw materials and materials derived from sustainable sources (such as certified wood from sustainably managed forests). We use such greening and agricultural practices that restrict the use of chemicals.

We have committed ourselves to take measures to protect biodiversity on the areas belonging to the hotel and adjacent to the hotel and being within its supply chain by making employees and guests aware of biodiversity issues and to change the existing purchasing practices. For example, we have committed ourselves to monitoring the purchases of groceries in terms of biodiversity protection (by refusing to place endangered species in the menu, choosing eco-products, etc.).

We also want to compensate the environment for our negative impact by, amongst others, conducting actions in the field of agroforestry, which improves the efficiency of the local agriculture. We also engage in the forestation project under the Plant for the Planet program.

#### **G4-EN6**

In 2014, Orbis decided that all the new hotel properties will have the green BREEAM certification. In 2016, Orbis opened its 2 new, own hotels in Poland, namely the ibis Gdańsk Old Town and the Mercure Kraków Old Town, both with BREEAM green building certification with the 'good' and 'very good' scale. These are the first Polish BREEAM-certified hotels.



## ibis Gdańsk Stare Miasto Wins the „Green Building’ Category and Becomes the First Ever Hotel in Poland with BREEAM Green Building Certification

Design and eco-solutions, and all this right in the vicinity of the Old Town in Gdańsk. This is what ibis Gdańsk Stare Miasto is - Poland's first newly built hotel with BREEAM green building certification. The ibis in Gdańsk sets new standards for investment projects in the hospitality market in Poland.

The best companies, properties and personalities of the commercial real estate industry of the past 12 months have been named in the 'Prime Property Prize 2016' ranking. Prizes in 10 categories have been handed to the winners during a solemn gala ceremony at the Vitkac Shopping Center in Warsaw. The ranking is to identify the companies and projects that had the greatest impact on commercial real estate events over the past year (September 2015 - September 2016) and those personalities whose spectacular actions affected the development of the entire industry during the period in question.

The ibis Gdańsk Stare Miasto is Poland's first hotel with BREEAM green building certification. It allows the hotel to save on the amount of energy consumed, water and the cost of transporting the waste. Thanks to applying new green technologies, the operating costs of a hotel are going down, while the value of the property goes up, as the wear and tear of the building slows down.



The period from 2011 to 2015, i.e. the years when the Planet 21 strategy was in force, was a period of very real and measurable actions. It has also generated very real and tangible savings. The milestones of the period include the implementation of BOOST procedures in hotels with high energy consumption reduction potential and the development, implementation and monitoring of corrective action plans. Operational good practice methods and procedures for hotels have been developed and implemented. A real-time electric energy consumption monitoring system with reporting and forecasting modules has been introduced and as a result daily reports with hourly consumption are delivered to hotels on a regular basis. In cooperation with Accor on the implementation and modification of the OPEN tool, we have been able to develop an effective approach to monitoring the consumption, clarifying irregularities, and validating data and results. Hotel construction and operation checklists have been developed and implemented, taking into consideration the appropriate levels of energy and water consumption. Furthermore, monitoring of annual energy and water consumption targets for each year has been launched. Solutions as regards installations and devices to reduce energy and water consumption (VRV and VRF systems, devices of higher energy efficiency, energy recovery systems, motion detector lighting, etc.) have been introduced.

## Hotel Water Management

### G4-EN8

Hotels of the Orbis Group source their water entirely from the municipal water supply network (the Group does not have its own water intake sources). We focus on optimizing water consumption by using water flow limiters (perlaters, normilators) with parameters as required under AccorHotels standards, maintaining the required domestic hot water circulation (eliminating water drainage from malfunctioning circulation circuits) and eliminating open circuits in refrigeration systems, supplementation of recirculation in usable water hot water circuits. The annual consumption of water by hotels owned by Orbis S.A. equals 625 thousand square meters.

## Effects - During the Period from 2011 to 2015 Hotels of the Orbis Group Have Saved:

- 12 260 MWh of electric energy, which accounts for 22.7% of electric energy consumption by all the hotels in Poland and Lithuania in 2015
- 6 749 MWh of gas energy, which is equivalent to consumption of 615 218 m<sup>3</sup> of gas and represents 43.8% of gas consumption by all the hotels in Poland and Lithuania in 2015
- 46 510 MWh of heat energy, which stands for 90.7% of annual energy consumption by all the hotels in Poland and Lithuania in 2015
- 173 591 m<sup>3</sup> of water and sewage, which accounts for 26.5% of water consumption in all the hotels in Poland and Lithuania in 2015

To better quantify these energy savings, the total (electricity, heat and gas) savings can be compared to the annual electricity consumption of more than 14 500 households! Conversely, water savings correspond to the annual water consumption of over 5 100 statistical Poles.

It is equivalent with reducing emissions of over 14 tons of pollutants into the atmosphere, including:

- 5 051 kg of carbon dioxide (CO<sub>2</sub>)
- 463 kg of sulphur oxides (SO<sub>x</sub>)
- 8 717 kg of Nitrogen oxides (NO<sub>x</sub>)
- 2,59 kg of fixed dust (PM)

Quantifiable savings could not have been achieved by implementing procedures and tools only. During the period in question, a series of audits were conducted as regards replacement sources of light in rooms and public areas, and a long lighting time, into LED lighting. As a result, a decision was made to replace light sources in a short-return investment mode. Replacement of emergency lighting and evacuation lighting into the LED systems was also made. Lighting control procedures, switching off unnecessary lighting, and light controlling and reporting procedures were also introduced.

### G4-EN6

On the other hand, to save heat energy, CIO2 generators have been installed in certain buildings. These generators allow optimizing domestic hot water temperatures and avoid thermal overheating. Thermal insulation of heating and cooling systems has been replaced or repaired. Mandatory free-cooling and optimization of cooling time and temperatures have been introduced. Recommendations as regards temperatures in premises and zones for low and high temperatures periods have been developed and implemented and the accompanying temperature monitoring and reporting procedures have been deployed. Likewise, instructions for chambermaids concerning room temperature settings in rooms prepared for hotel guests have been developed and implemented.

Then again, in order to optimize water consumption, water flow regulators have been installed in wash basins, showers and shower heads. Water efficiency adjustments and controls have also been performed in the flushes.

From the managerial point of view it was also important to install submeters to measure the consumption of individual types of energy and water in high consumption zones, enabling proper settlement with lessees of premises and areas. Presently, modernization and repair teams are also accountable for their consumption of energy and water. Energy consumption restriction systems in food production zones have also been introduced.

Waste management has been optimized as well, the so-called compactors have been purchased. A crowning achievement which reflected the Orbis Group's pro-environmental approach has been the setting up of natural gardens at hotels.

In the coming years we plan to launch new solutions and technologies that optimize energy consumption, and increase the efficiency of water and energy recovery, including a wider use of precipitation and greywater. We also think about a wider use of renewable energy sources, including solar energy and energy from cogeneration sources. According to the adopted policy, new hotels will be built in harmony with the principles of sustainable development and BREEAM-certified.

We plan further modernizations of power nodes and replacement of old equipment and installations that generate excessive losses in the existing hotels. We also want to reduce energy loss by upgrading hotel insulation. We will also be consistently improving the hotel operation discipline.

## Emission of Ozone Layer Depleting Substances

### G4-EN20

All the hotels owned by Orbis S.A. in Poland are registered with the National Centre for Emissions Management (KOBIZE) system and the Central Register of Operators. On-the-spot system tightness checks are carried out and any potential system depletion is mentioned in the reports and fees to the Marshal Offices. We operate gas boilers with high-efficiency boilers and boilers equipped with low-emission burners. Companies providing refrigeration services possess the required certifications.

## Waste Management

### G4-EN23

The total volume of waste generated and transferred to authorized operators totalled 226 Mg. We neither store nor dispose of waste. All waste is transferred to authorized operators, we receive the waste transfer cards and we keep the waste records for the different waste categories at hotel level. Food and beverage waste, cooking oils and separator content are collected by authorized operators. Recycling of packaging waste is carried out by a licensed public benefit organization (KOBA Kraków). Providing the volume of waste in each category would require the collection of reports submitted by hotels to the local Marshal Offices, and would not include municipal waste (the statements cover the volume). We have bought and launched the operation of waste compactors.

# DETAILED REPORT DESCRIPTION

**G4-17**

This report is the first non-financial report published by the Orbis Group. This is the opening report which presents the current image of the Company as well as its targets in the area of corporate social responsibility under the new Planet 21 program for the period from 2016 to 2020. The report highlights the main initiatives in the area of sustainable growth undertaken under the first Planet 21 Program implemented from 2011 to 2015. The successive reports planned to be published in annual cycles present the results and the degree of achievement of the strategic goals in the economic, social and environmental areas.

**G4-33**

The report was prepared in line with the requirements of the Non-Financial Information Standard (SIN). At the same time, it complies with the requirements of a report prepared in accordance with the GRI G4 Core Guideline. The report was not verified by a licenced auditor.

**G4-18**

**G4-19**

**G4-24**

**G4-25**

**G4-26**

In accordance with the ISO 26000 standard, the Orbis Group identified its key stakeholder groups and its key areas of responsibility. As a result, the following basic groups have been distinguished:



## Dialogue in the Orbis Group

The Ethics and Corporate Social Responsibility Charter adopted by the Orbis Group is a voluntary self-regulation of our group in the field of dialogue with our environment. We have committed to, amongst others, hold regular annual assessment interview with each employee, provide to each employee clear information about his/her rights, duties and privileges and to take into consideration the effect of each change upon employees when launching reorganization or restructuring projects. We guarantee the respect for legislation relating to freedom of association, i.e. we neither resist nor obstruct the founding of trade unions, dates of consultations with stakeholders and representatives, particularly in the event of reorganization, restructuring or during disciplinary procedure. We also guarantee to the employees the ability to speak freely on the premises of our company in matters related to the conditions of their occupational affairs.

Tens of thousands of our guests participate in an online survey every year in which they can measure the level of their satisfaction with our services. The results of this survey also permit us to monitor their propensity to recommend our hotels to other customers (the Net Promoter (NPS) Score). At the same time, we also strive to monitor the opinions of our customers every single day, regardless of the length and location of their stay. Such feedback is extremely valuable for brand managers. It is thanks to such customers who have devoted their time and effort to share their opinion with us that we are able to facilitate our business and respond to ever changing expectations, for instance, by launching the 'satisfaction guarantee' ibis brand commitment to solve a problem that occurred due to the hotel's fault in 15 minutes (if the hotel is responsible for the fault and fails to remove it within a quarter of an hour, the guest is guaranteed a free bed or breakfast).

As far as employees are concerned, in addition to the regular annual employee opinion and satisfaction surveys, regular dialogue meetings are held with trade union representatives. Furthermore, information and consultation meetings are also held with the Employee Council of Orbis S.A. These actions are supplemented by open communication supported by the Orbis Group's Intranet and the employee quarterly e-magazine named 'Orbis e-Panorama'.

As far as investors are concerned, we discuss our results during direct meetings held by the Management Board with investors or during conferences or teleconferences accompanying publication of interim results as well as daily contacts of the Investor Relations Department with market players and the investor relations website prepared in line with the Best Practices recommended by the Warsaw Stock Exchange. Our cooperation with the Association of Individual Investors (SII) and the Association of Stock Exchange Issuers (SEG) and the Fitch Rating Agency, which presents its annual ratings of the Company also support an open communication with investors.

The dialogue with local communities and non-governmental organizations has, in turn, quite a different nature as we often work together on very specific problems and jointly develop the best solutions.

The content of this report (its key indicators) has been determined based on the guidelines of our multi-annual strategy, i.e. the priorities of the Planet 21 Program. In-depth analysis of our stakeholder expectations accompanying the development of the Planet 21 Program in our view guarantees compliance with the fundamental principles underlying the determination of the content of non-financial reports (the materiality principle, completeness, and taking into account stakeholders). Reference to the PN-ISO 26000 standard is a guarantee of preserving the context of sustainable growth.

Accordingly, the following aspects of social responsibility have been considered essential for the Orbis Group:

#### G4-33

	Social or Environmental Aspect	Aspects of Impacts and the Corresponding GRI G4 Guideline Indicators
Economic Responsibility	1. Strengthening partnership and cooperation with our key stakeholders 2. Developing responsible and innovative services 3. Guarantee of fully ethical approach and transparent management systems	G4-SO3, G4-SO4, G4-SO5 G4-SO8
Environmental Responsibility	4. Reference to mitigating the effects of climate change in our offers 5. Diminishing direct and incremental impact of our business on the natural environment 6. Turning the quality of our products and services (with regard to the environmental issues) into the leverage of financial performance	G4-EN3, G4-EN5, G4-EN6 G4-EN8, G4-EN15, G4-EN16, G4-EN18 G4-EN20 G4-EN23 G4-EN29 G4-EN32
Social Responsibility	7. Ensuring a healthy, flexible and innovative working environment which strengthens the well-being of our employees 8. Promoting diversity, equal opportunities and employability of our teams 9. Empowering our employees to develop CSR skills	G4-LA1, G4-LA3 G4-LA6, G4-LA9, G4-HR3, G4-HR11
Legal Liability	7. Ensuring a healthy, flexible and innovative working environment which strengthens the well-being of our employees 8. Promoting diversity, equal opportunities and employability of our teams 9. Empowering our employees to develop CSR skills	G4-SO1,



## Contact

In case of any questions relating to economic, social or environmental performance of the ORBIS Group, please do not hesitate to contact:

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Your comments, opinions or remarks relating to our actions in the context of sustainable development, including those on the scope of our reporting, will be extremely valuable to us.

# NON-FINANCIAL DATA

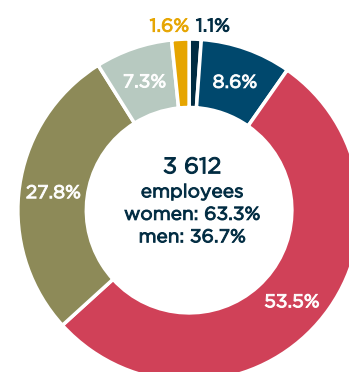
## ORBIS GROUP HIGHLIGHTS

G4-9 G4-10		2015	2016
	Average number of employees (employed by the Group)	3 791	3 612
	Average number of outsourced employees working for the benefit of the Group in the hotels of the Orbis Group	570	750
	Number of hotels	108	116
	Number of rooms	18 824	19 741
	Net sales ('000 PLN)	1 262 726	1 382 879
	Net financial result (profit) ('000 PLN)	181 582	207 147
	Total assets ('000 PLN)	2 483 896	2 860 135
	Equity ('000 PLN)	1 783 288	1 950 676
	Share price as at 31 December (PLN)	61,40 zł	73 zł
	Number of shares traded	46 077 008	46 077 008
	Stock capitalisation (as at 31 December) (PLN)	2 829 128 291	3 363 621 584

## EMPLOYMENT AND EMPLOYEES DATA

### G4-9 G4-10 Average employment in a year per gender and position

	men	women	total
at operational positions	1 005	1 934	2 939
at management positions	263	310	573
at executive positions	59	41	100
total	1 327	2 285	3 612

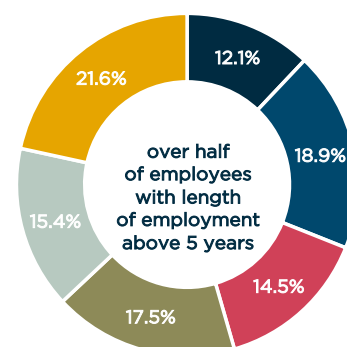


	2016															Total
	Poland	Poland	Poland	Poland	Poland	Poland	Poland	Lithuania	Lithuania	Hungary	Hungary	Hungary	Hungary	Hungary		
	Head Office	ibis Budget	Ibis Styles	Ibis Styles	Mercure	Novotel	Sofitel	Ibis	Novotel	Regional Office	Ibis	Ibis Styles	Mercure	Novotel		
women at operational positions	88	89	239	16	366	499	160	27	55	41	56	26	144	129		1 934
women at management positions	59	17	37	3	54	63	21	4	8	4	11	5	10	14		310
women at executive positions	11	5	6	1	4	5	0	1	0	5	2	1	1	0		41

men at operational positions	32	13	83	2	218	269	119	5	20	7	29	10	95	105	1 005
men at management positions	32	11	35	3	50	50	24	2	2	5	12	4	14	19	263
men at executive positions	13	2	6	0	8	8	3	0	1	6	3	2	2	5	59
employees at operational positions	120	101	321	17	584	768	279	32	75	47	86	36	239	234	2 939
employees at management positions	90	28	72	6	104	114	45	6	10	9	24	9	24	33	573
employees at executive positions	24	7	11	1	12	13	3	1	1	11	5	3	3	5	100
Total employees	235	136	405	24	700	895	327	39	86	68	114	48	265	272	3 612

## Average employment in a year per length of employment

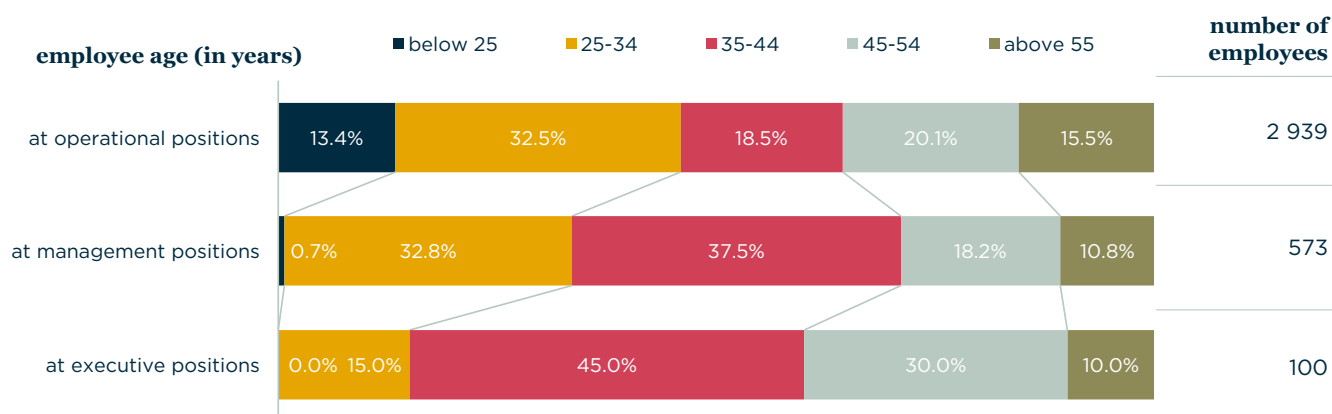
length of employment	number of employees
below 6 months	436
from 6 months to 2 years	684
from 2 years to 5 years	524
from 5 years to 10 years	632
from 10 years to 20 years	555
above 20 years	780



	2016															Total
	Poland	Poland	Poland	Poland	Poland	Poland	Poland	Lithu- ania	Lithu- ania	Hun- gary	Hun- gary	Hun- gary	Hun- gary	Hun- gary		
	Head Office	ibis Budget	Ibis	Ibis Styles	Mercur e	Novote l	Sofitel	Ibis	Novot el	Region al Office	Ibis	Ibis Styles	Mercur e	Novot el		
number of employees with length of employment below 6 months	10	21	77	2	84	100	44	8	21	6	1	7	37	18	436	
number of employees with length of employment from 6 months to 2 years	23	49	92	5	101	156	73	14	20	8	48	11	45	38	684	
number of employees with length of employment from 2 years to 5 years	42	28	81	3	73	99	67	14	21	9	19	7	24	37	524	
number of employees with length of employment from 5 years to 10 years	64	25	74	3	117	122	60	1	15	12	17	5	55	62	632	
number of employees with length of employment from 10 years to 20 years	56	11	76	0	91	101	17	2	9	23	19	15	65	72	555	
numner of employees with length of employment above 20 years	40	2	5	11	233	317	66	0	0	9	11	3	38	44	780	
Total employees	235	136	405	24	700	895	327	39	86	68	114	48	265	272	3 612	

**G4-10**

## Average employment in a year per age and position



	2016															Total
	Poland	Poland	Poland	Poland	Poland	Poland	Poland	Lithu-	Lithu-	Hun-	Hun-	Hun-	Hun-	Hun-		
number of employees	Head Office	ibis Budget	Ibis	Ibis Styles	Mercure	Novotel	Sofitel	ania Ibis	ania Novotel	gary Regional Office	gary Ibis	gary Ibis Styles	gary Mercure	gary Novotel		
at operational positions aged below 25	1	20	78	2	66	78	35	13	21	2	19	4	29	25		393
at operational positions aged 25-34	26	49	136	4	157	231	114	10	26	18	23	12	73	77		955
at operational positions aged 35-44	48	14	50	3	99	111	43	3	11	20	16	7	63	57		544
at operational positions aged 45-54	26	14	34	7	139	188	38	2	9	4	20	9	49	51		590
at operational positions aged above 55	18	5	23	2	124	161	49	4	8	4	6	4	25	24		456
at management positions aged below 25	0	0	1	0	0	3	1	0	0	0	0	0	0	0	0	4
at management positions aged 25-34	27	11	33	2	29	33	22	4	4	2	9	1	3	8		188
at management positions aged 35-44	45	9	24	3	39	34	16	1	5	5	5	5	12	12		215
at management positions aged 45-54	13	6	12	1	18	26	4	0	0	2	7	0	6	10		104
at management positions aged above 55	6	2	2	0	17	18	3	1	1	0	2	3	3	3		62
at executive positions aged below 25	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
at executive positions aged 25-34	2	4	3	0	1	4	0	0	0	2	0	0	0	0	0	15
at executive positions aged 35-44	12	3	7	1	3	6	2	1	1	5	2	0	0	3		45
at executive positions aged 45-54	8	0	2	0	4	2	1	0	0	5	3	2	2	2		30
at executive positions aged above 55	2	0	0	0	4	2	0	0	0	0	0	1	1	0		10
at operational positions	120	101	321	17	584	768	279	32	75	47	86	36	239	234		2 939

at management positions	91	28	72	6	104	114	45	6	10	9	24	9	24	33	573
at executive positions	23	7	12	1	12	13	3	1	1	11	5	3	3	5	100
Total employees	235	136	405	24	700	895	327	39	86	68	114	48	265	272	3 612

## Average employment in a year of people with disabilities

	2016															Total
	Poland	Poland	Poland	Poland	Poland	Poland	Poland	Lithu- ania	Lithu- ania	Hungary	Hungary	Hungary	Hungary	Hungary		
	Head Office	ibis Budget	Ibis	Ibis Styles	Mercure	Novotel	Sofitel	Ibis	Novotel	Regional Office	Ibis	Ibis Styles	Mercure	Novotel		
Number of employees with disabilities	2	0	2	0	6	4	1	0	0	2	7	2	14	14	56	

### G4-LA1

## Employee turnover

	2016															Total
	Poland	Poland	Poland	Poland	Poland	Poland	Poland	Lithu- ania	Lithu- ania	Hungary	Hungary	Hungary	Hungary	Hungary		
Number of	Head Office	ibis Budget	Ibis	Ibis Styles	Mercure	Novotel	Sofitel	Ibis	Novotel	Regional Office	Ibis	Ibis Styles	Mercure	Novotel		
new hires aged below 25	2	19	97	1	93	106	32	24	39	2	13	8	29	18	483	
new hires aged 25-34	13	16	51	1	78	99	43	9	10	4	11	5	18	10	368	
new hires aged 35-44	6	5	16	1	24	36	12	2	7	3	6	1	19	2	140	
new hires aged 45-54	1	4	15	2	12	11	7	2	10	0	4	7	19	6	100	
new hires aged above 55	0	1	6	0	2	7	1	1	3	0	3	2	9	1	36	
Total new hires	22	45	185	5	209	259	95	38	69	9	37	23	94	37	1 127	
employment terminations due to employee resignation	2	5	23	0	28	36	24	23	58	1	7	15	22	19	263	
employment terminations due to end of non-paid contract	0	4	13	0	9	8	4	1	3	2	1	1	1	2	49	
employment terminations due to employment termination by the employer	13	23	87	2	66	120	33	0	2	7	15	0	46	10	424	
employment terminations due to group redundancies	1	0	0	0	1	14	2	0	0	0	0	0	0	0	18	
employment terminations due to retirement	2	0	1	0	10	11	1	0	0	1	2	0	0	2	30	
employment terminations due to other reasons	3	0	0	0	1	1	0	0	0	0	0	0	1	0	6	
Total employment terminations	21	32	124	2	115	190	64	24	63	11	25	16	70	33	790	

**G4-LA6**
**Absence, accident at work, accident rate**

	2016															
	Poland	Poland	Poland	Poland	Poland	Poland	Poland	Lithu- ania	Lithu- ania	Hun-gary	Hun-gary	Hun-gary	Hun-gary	Hun-gary	Total	
	Head Office	ibis Budget	Ibis	Ibis Styles	Mercure	Novotel	Sofitel	Ibis	Novotel	Regional Office	Ibis	Ibis Styles	Mercure	Novotel		
Number of days absent from work due to health reasons	1417	960	5227	238	9011	10796	3508	303	508	448	529	129	1 932	1 093	36 099	
Number of days absent from work dues to accidents at work	3	2	50	0	365	705	34	0	10	0	3	3	180	5	1 360	
Number of non- excused days absent from work	0	0	24	0	77	102	16	6	3	0	104	35	96	99	562	
Number of accidents at work resulting in at least 1-day absence from work	0	1	4	0	7	17	4	0	1	0	1	1	3	1	40	
Number of communication accidents resulting in at least 1-day absence from work	1	0	0	0	1	6	2	0	0	0	1	0	1	0	12	
Accident frequency rate (number of accidents at work per 1000 employees)	0,71	1,24	1,67	-	1,69	3,18	2,05	-	1,96	-	1,47	3,55	1,90	0,61	1,86	
Accident severity rate (average absence from work due to accident at work)			12,5		52,1	41,5	8,5		10,0		3,0	3,0	60,0	5,0	34,0	
Number of accidents at work resulting in the death of an employee in 365 days	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	
Number of communication accidents resulting in the death of an employee in 365 days	0	0	0	0	0	0	0	0	0	0	0	0	1	0	1	

**G4-LA9**
**Number of training hours (Poland and the Baltic States)**

	2016			Total
	Number of training hours at Académie AccorHotels	Number of training hours under AccorHotels Managers	Number of training hours provided by outsourced providers	
Head office	5 240	10	360	5 610
Ibis	4 732	226	1 900	6 858
Ibis budget	1 504	106	708	2 318
ibis Styles	90	10	61	161
Mercure	6 820	1 296	2 357	10 473
Novotel	9 770	5 660	1 986	17 416
Sofitel	8 565	566	20	9 151
Total	34 056	7 155	7 391	48 602



## GOVERNING BODIES

LA-12

First and last name	Gender	Foreigner	Year of birth
<b>The Management Board of Orbis S.A.</b>			
Gilles Clavie (President and CEO)	man	yes	1969
Ireneusz Węglowski (Vice-President of the Management Board)	man	no	1955
Marcin Szewczykowski (Member of the Management Board and Finance Director)	man	no	1971
Dominik Sottysik (Member of the Management Board)	man	no	1975
<b>The Supervisory Board of Orbis S.A.</b>			
Bruno Coudry	man	yes	1950
Artur Gabor (independent member of the Supervisory Board)	man	no	1960
Christian Karaoglanian	man	yes	1951
Jacek Kseń (independent member of the Supervisory Board)	man	no	1949
Jean-Jacques Morin	man	yes	1960
Jan Ozinga (Chairman of the Supervisory Board)	man	yes	1964
Laurent Picheral	man	yes	1965
Andrzej Procajło	man	no	1952
Andrzej Przytuła	man	no	1951

## ENVIRONMENTAL INFLUENCE DATA

G4-EN3  
G4-EN15  
G4-EN16

**Consumption of fuels, electric energy, heat energy, and the estimated CO<sub>2</sub> emission associated with their consumption**

Category	Consumption of fuels and energy in 2016						Estimated CO <sub>2</sub> emission in 2016	
	unit	2016	unit	2016	unit	2016	unit	2016
Diesel oil (ON)	Mg	4,93	l	5 847	GJ	0,25	Mg	433
Petrol	Mg	60,50	l	81 674	GJ	3,65	Mg	6 052
Electric energy	kWh	52 271 509	GJ	188 177	GJ	188 177	Mg	34 429
Energy from combustion of natural gas	kWh	12 969 452	GJ	46 690	GJ	46 690	Mg	2 619
Thermal energy (municipal heat)	kWh	52 738 736	GJ	189 859	GJ	189 859	Mg	17 961
<b>Total</b>					<b>GJ</b>	<b>424 731</b>	<b>Mg</b>	<b>61 494</b>

G4-EN5  
G4-EN18

**Energy intensity and emission efficiency**

	unit	2016
Total energy consumption	GJ	424 731
Total estimated CO <sub>2</sub> emission	Mg	61 494
Energy intensity (Total energy consumption / hotel room)	GJ/room	21.37548
Emission efficiency (Total estimated CO <sub>2</sub> emission / hotel room)	Mg/room	3.09

# GRI INDEX

Guideline	Scope ● - full ● - partial ○ - no reporting / not applicable	Page	Audit	GRI Guidelines	Area according to ISO 26000	UN Global Compact Principles	Comment / Description
Strategy and Analysis							
G4-1	●			Statement from the most senior decision-maker of the organization (such as CEO, chair, or equivalent senior position) about the relevance of sustainability to the organization and the organization's strategy for addressing sustainability	4,7 6.2. 7,4,2 6.2.		[Letter of the President]
G4-2	●			Description of key impacts, risks and opportunities			[Letter of the President]
Organizational Profile							
G4-3	●			Name of the organization	6.3.10 6.4.1	7 1-10	Orbis S.A. [back cover]
G4-4	●			Primary brands, products and/or services	6.4.2 6.4.3		[Business Model and Strategy]
G4-5	●			Location of the organisation's headquarters	6.4.4 6.4.5 6.8.5		ul. Bracka 16 00-028 Warszawa, Polska [back cover]
G4-6	●			The number of countries where the organization operates, and names of countries where either the organization has significant operations or that are specifically relevant to the sustainability topics covered in the report	7.8		[Business Model and Strategy]
G4-7	●			Nature of ownership and legal form of the organisation			Joint-stock company listed at the Warsaw Stock Exchange [Orbis' History]
G4-8	●			The markets served (including geographic breakdown, sectors served, and types of customers and beneficiaries)			[Business Model and Strategy]
G4-9	●			The scale of the organization			[Tables with Non-Financial Data]
G4-10	●			The total number of employees by employment contract and gender		8	[Tables with Non-Financial Data]
G4-11	●			The percentage of total employees covered by collective bargaining agreements		8	[Supporting Employee Diversity and Integrating Employees Around a Common Goal]
G4-12	●			The organization's supply chain			[Supply Chain]

G4-13	●	Any significant changes during the reporting period regarding the organization's size, structure, ownership, or its supply chain		No such changes
G4-14	●	Explanation whether and how the precautionary approach or principle is addressed by the organization		Given the nature of the organisation's environmental impact, the precautionary principle is applicable to a limited extent. However, should a potential solution or activity leave doubts as to their environmental hazard, the precautionary principle will be applied.
G4-15	●	Externally developed economic, environmental and social charters, principles, or other initiatives to which the organization subscribes or which it endorses		[Partnership as the Philosophy of Doing Business and Expansion]
G4-16	●	Memberships of associations (such as industry associations) and national or international advocacy organizations		[Partnership as the Philosophy of Doing Business and Expansion]
Partnership as the Philosophy of Doing Business and Expansion				
G4-17	●	Entities included in the organization's consolidated financial statements	5.2 7.3.2	[Detailed Report Description]
G4-18	●	The process for defining the report content	7.3.3 7.3.4	[Detailed Report Description]
G4-19	●	All the material Aspects (social, environmental) identified in the process for defining report content		[Detailed Report Description]
G4-20	●	The Aspect Boundary within the organization		[Detailed Report Description]
G4-21	●	The Aspect Boundary outside the organization		[Detailed Report Description]
G4-22	●	The effect of any restatements of information provided in previous reports, and the reasons for such restatements (mergers or acquisitions, change of base years or periods, nature of business, measurement methods)		Not applicable - this is the first report of the company.
G4-23	●	Significant changes from previous reporting periods in the Scope and Aspect Boundaries		Not applicable - this is the first report of the company.
Stakeholder Engagement				
G4-24	●	A list of stakeholder groups engaged by the organization	5.3	[Detailed Report Description]
G4-25	●	The basis for identification and selection of stakeholders with whom to engage		[Detailed Report Description]

G4-26	●	The organization's approach to stakeholder engagement, including frequency of engagement by type and by stakeholder group				[Detailed Report Description], [Ethics and Corporate Social Responsibility Charter]
G4-27	●	The key topics and concerns that have been raised through stakeholder engagement, and how the organization has responded to those key topics and concerns, including through its reporting				[Management approach to sustainable development]
Report Profile						
G4-28	●	Reporting period (such as fiscal or calendar year)	5.3 7.5.3			The financial year / the calendar year: 1 January 2016 - 31 December 2016
G4-29	●	Date of most recent previous report (if any)	7.6.2.			This is the first report of the company.
G4-30	●	Reporting cycle (such as annual, biennial)				Annual
G4-31	●	The contact point				[Detailed Report Description]
G4-32	●	GRI content index				[GRI Index]
G4-33	●	Policy and current practice with regard to seeking independent assurance for the report. If not included in the assurance report accompanying the sustainability report, report the scope and basis of any external assurance provided.				[Detailed Report Description]
Governance Structure and Composition						
G4-34	●	The governance structure of the organization, including committees of the highest governance body, such as any committees responsible for decision-making on economic, environmental and social impacts	6.2 7.4.3 7.7.5	1-10	16	[Management approach to sustainable development]
Ethics and Integrity						
G4-56	●	The organization's values, principles, standards and norms of behaviour such as codes of conduct and codes of ethics.	4.4 6.6.3	1-10	16	[Our Foundation: Values] [Putting in place preventive mechanisms to counteract unethical conduct]
ENVIRONMENTAL DISCLOSURES						
Energy EN DMA		Management approach				[Low-emission of newly erected buildings]
G4-EN3	●	Direct and indirect energy consumption from non-renewable fuels	6.5.4	8	7, 8, 12, 13	[Non-Financial Data]

G4-EN5	●	Energy intensity		7, 8, 12, 13	[Non-Financial Data]
G4-EN6	●	Reduction of energy consumption	6.5.4 6.5.5	7, 8, 12, 13	[Low-emission of newly erected buildings]
Water Management					
G4-EN8	●	Total water withdrawal by source	6.5.4	6	[Water Management]
Emissions					
EN DMA		Management approach			[Low-emission of newly erected buildings]
G4-EN15	●	Direct greenhouse gas (GHG) emissions (Scope 1)	6.5.5	3, 12, 13, 14, 15	[Non-Financial Data]
G4-EN16	●	Energy indirect greenhouse gas (GHG) emissions (Scope 2)	6.5.5	3, 12, 13, 14, 15	[Non-Financial Data]
G4-EN18	●	Greenhouse gas (GHG) emissions intensity	6.5.5	13, 14, 15	[Non-Financial Data]
G4-EN20	●	Emissions of ozone-depleting substances (ODS)	6.5.3 6.5.5	3, 12	[Emission of Ozone Layer Depleting Substances]
Effluents and Waste					
G4-EN23	●	Total weight of waste by type and disposal method	6.5.3	3, 6, 12,	[Waste Management]
Compliance					
G4-EN29	●	Monetary value of significant fines and total number of non-monetary sanctions for non-compliance with environmental laws and regulations	4.6	16	In 2016, no penalties were imposed for non-compliance with environmental laws and regulations and non-financial sanction in this area.
Supplier Environmental Assessment					
EN DMA		Management approach			[Introduction of Innovative Solutions in Cooperation with Business Partners]
G4-EN32	●	Total number and rates of new employee hires and employee turnover by age group, gender and region	6.3.5 6.6.6 7.3.1		[Introduction of Innovative Solutions in Cooperation with Business Partners]

#### SOCIAL DISCLOSURES

##### Labour Practices and Decent Work: Employment

LA DMA		Management approach		-	[Supporting Employee Diversity and Integrating Employees Around a Common Goal]
G4-LA1	●	Total number and rates of new employee hires and employee turnover by age group, gender and region	6.4.3	5, 8	[Non-Financial Data]
Labour Practices and Decent Work: Occupational Health and Safety					
LA DMA		Management approach (in the aspect of w Occupational Health and Safety)			[Supporting Employee Diversity and Integrating Employees Around a Common Goal]
G4-LA6	●	Management approach (in the aspect of w Occupational Health and Safety)	6.4.6 6.8.8	3, 8	[Non-Financial Data]
Labour Practices and Decent Work: Training and Education					
G4-LA9	●	Average hours of training per employee		1, 6 4, 5, 8	[Non-Financial Data]
Labour Practices and Decent Work: Diversity and Equal Opportunity					
G4-LA12	●	Composition of governance bodies and breakdown of employees per employee category according to gender, age group, minority group membership, and other indicators of diversity	6.2.3 6.3.7 6.3.10 6.4.3	1, 6 5, 8	[Non-Financial Data]
Supplier Assessment for Labour Practices					
G4-LA14	●	Percentage of suppliers that were screened using labour practices criteria	6.3.5 6.4.3 6.6.6 7.3.1	5, 8, 16	[Introduction of Innovative Solutions in Cooperation with Business Partners]
Human Rights: procedures related to purchasing & investment					
HR DMA		Management approach		1-6	[Ethics and Corporate Social Responsibility Charter] [Introduction of Innovative Solutions in Cooperation with Business Partners] [Close Cooperation With Local Communities]
G4-HR3	●	Total number of incidents of discrimination and corrective actions taken	6.3.6 6.3.7 6.3.10 6.4.3	5, 8, 16,	Not reported.
Society					
SO DMA		Management approach		10	[Close Cooperation With Local Communities]



			7.7.3, 7.7.5			
G4-SO1	●	Nature, scale and efficiency of operations with implemented local community engagement, impact assessments, and development programs	6.3.9 6.5.1 6.5.2 6.5.3 6.8	-		[Close Cooperation With Local Communities] [Involvement of Our Guests In Sustainable Growth] [Municipal Vegetable and Fruit Gardens and Cutting Down the Supply Chain]
G4-SO4	●	Percentage of employees trained in anti-corruption policies and procedures	6.6.1 6.6.2 6.6.3 6.6.6	10		[Ethics and Corporate Social Responsibility Charter]
G4-SO5	●	Actions taken in response to incidents of corruption	6.6.1 6.6.2 6.6.3	10		[Ethics and Corporate Social Responsibility Charter]
Public policy						
G4-SO6	●	Total financial and in-kind value of political contributions by country and recipient /beneficiary	6.6.1 6.6.2 6.6.4.	10	16	PLN 0 (it would have been illegal)
Compliance						
G4-SO7	●	Total number of legal actions for anti-competitive behaviour, anti-trust, and monopoly practices and their outcomes.	6.6.1 6.6.2 6.6.5 6.6.7	-	16	No actions are pending against the company.
G4-SO8	●	Monetary value of significant fines and total number of non-monetary sanctions for non-compliance with laws and regulations	4.6		16	No sanctions or penalties have been imposed upon the company.
Product Responsibility: Customer Health and Safety						
PR DMA		Management approach	6, 7.3.1, 7.4.3, 7.7.3, 7.7.5	1, 8 1	1 -	[Offering Healthy, Balanced Meals While Reducing Food Waste]
G4-PR1	●	The life cycle of a product, categories for which health and safety impacts are assessed for improvement.	6.7.1 6.7.2 6.7.4 6.7.5 6.8.8			[Offering Healthy, Balanced Meals While Reducing Food Waste]
G4-PR2	●	Total number of incidents of non-compliance with regulations and voluntary codes	4.6 6.7.1		16	Not reported.

		concerning the health and safety impacts of products and services during their life cycle, by type of outcomes	6.7.2 6.7.4 6.7.5 6.8.8			
G4-PR4		Incidents of non-compliance with regulations concerning product and service information and labelling		16		Not reported.
G4-PR5	■	Results of surveys measuring customer satisfaction and customer satisfaction practices	6.7.1 6.7.2 6.7.6			
Product Responsibility: Compliance						
G4-PR9	●	Monetary value of significant fines for non-compliance with laws and regulations concerning the provision and use of products and services	4.6 6.7.1 6.7.2 6.7.6.	-	16	No sanctions or penalties have been imposed upon the company.

G4-3  
G4-5  
G4-7



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